

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
10 C Hungerford Street  
5th Floor, Kolkata 700017  
India

T +91 33 4050 8000

## **Independent Auditor's Additional Report for the year ended 31 March 2020 pursuant to the requirement of Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India**

To  
The Board of Directors  
Shree Krishna Agency Limited  
Sitaram Bag, Station Road,  
Didwana  
Rajasthan – 341 303

1. This report is issued in accordance with the terms of our engagement letter dated 03 October 2019 with Shree Krishna Agency Limited, (the 'Company') and requirements of the Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('the Auditor's Report Directions') issued by the Reserve Bank of India ('the RBI').
2. We have audited the accompanying financial statements of the Company which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information and have issued an unmodified opinion vide our report dated 12 June 2020.

### **Management's Responsibility for the financial statements**

3. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



# Walker Chandiook & Co LLP

4. The management of the Company is also responsible for compliance with the Reserve Bank of India Act, 1934 ('the RBI Act'), Master Direction- Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Directions'), and other circulars and directions issued by the RBI thereunder and for providing all the required information to the RBI.

## **Auditor's Responsibility**

5. Pursuant to the requirements of the Auditor's Report Directions, it is our responsibility to provide reasonable assurance on the matters specified in paragraph 3 and 4 of the Auditor's Report Directions, to the extent applicable to the Company, on the basis of our audit of the financial statements of the Company for the year ended 31 March 2020 and examination of books of accounts and other records maintained by the Company for the year then ended.
6. We conducted our examination of the audited books of accounts other records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

## **Opinion**

8. Based on our audit of the financial statements for the year ended 31 March 2020 and examination as above, evidences obtained and the information and explanations, along with the representations provided by the management, we report that:
  - a. The Company is engaged in the business of Non-Banking Financial Institution (not accepting or holding public deposits) and pursuant to section 45-I(a) of the RBI Act, requiring it to hold a Certificate of Registration ('CoR') under section 45-IA of the Act. The Company has obtained CoR no. 10.00027 dated 06 March 1988 issued by the Jaipur Regional Office of the RBI.
  - b. The Company is entitled to continue to hold such CoR in terms of its asset/income pattern as on 31 March 2020.
  - c. The Company has met with the required net owned fund requirement as laid down in the NBFC Directions as on 31 March 2020.
  - d. The Board of Directors of the Company in their meeting held on 18 May 2019 have passed a resolution for non-acceptance of any public deposits for the financial year 01 April 2019 to 31 March 2020.
  - e. The Company has not accepted any public deposits during the year ended 31 March 2020.
  - f. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the NBFC Directions.
  - g. The Company is not a systemically important non-deposit taking NBFC and therefore paragraph 3(C)(iv) of the Auditor's Report Directions are not applicable to the Company.
  - h. The Company is not a Non-Banking Financial Company–Micro Finance Institution ('NBFC-MFI') as specified under paragraph 3(xx) of the NBFC Directions.

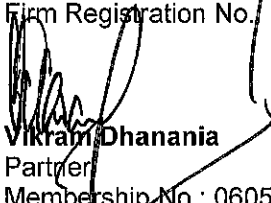


# Walker ChandioK & Co LLP

## Restriction on distribution or use

9. Our work was performed solely to assist you for compliance with Auditor's Report Directions by the Company. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as statutory auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are subject of this report, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. This report is addressed to and provided to the Board of Directors of the Company pursuant to our obligations under the Auditor's Report Directions requiring us to submit a report on the additional matters as stated in the aforesaid directions and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing

For **Walker ChandioK & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

  
**Vikram Dhanania**  
Partner  
Membership No.: 060568  
UDIN: 20060568AAAAAX217

**Place:** Kolkata  
**Date:** 12 June 2020



# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
10 C Hungerford Street  
5th Floor, Kolkata 700017  
India

T +91 33 4050 8000

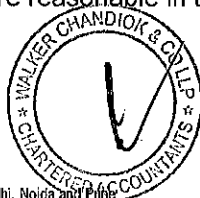
## **Independent Auditor's Certificate on compliance with conditions for holding a Certificate of Registration granted under section 45-IA of the Reserve Bank of India Act, 1934**

To  
The Board of Directors  
Shree Krishna Agency Limited  
Sitaram Bag, Station Road, Didwana,  
Rajasthan - 341 303

1. This certificate is issued in accordance with the terms of our engagement letter dated 03 October 2019 with **Shree Krishna Agency Limited** ('the Company').
2. The management of the Company has prepared the accompanying statement (the 'Statement') comprising of financial parameters and particulars of non-banking financial companies as at 31 March 2020 along with annexures supporting the content of the Statement pursuant to the Master Direction-Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 ('the Master Directions') which requires submission of this certificate along with the Statement to the Reserve Bank of India (the 'RBI'). We have initialled the Statement and the accompanying annexures for identification purposes only.
3. We have audited the financial statements of the Company for the year ended 31 March 2020 on which we issued unmodified vide our report dated 12 June 2020. Further, we have issued additional report addressed to the Board of Directors of the Company in compliance with the Master Direction-Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('the Auditor's Report Directions') and had not come across any exceptions that is required to be reported under paragraph 5 of the Auditor's Report Directions.

### **Management's Responsibility for the Statement**

4. The preparation of the Statement is the responsibility of the management of the Company including preparation and maintenance of proper books of accounts and such other relevant records and documents. This responsibility includes designing, implementing and monitoring internal controls relevant to the preparation and presentation of the Statement and applying appropriate basis of preparation, and making estimates that are reasonable in the circumstances.



# Walker Chandiook & Co LLP

## Independent Auditor's Certificate on compliance with conditions for holding a Certificate of Registration granted under section 45-IA of the Reserve Bank of India Act, 1934 (cont'd)

5. The management is also responsible for ensuring that the Company complies with all the regulatory requirements of the Master Direction and other applicable circulars and guidelines issued by RBI, for the purpose of furnishing this Statement and for providing all relevant information to the RBI.

### Auditor's Responsibility

6. Pursuant to the requirements of the Master Directions, it is our responsibility to express a reasonable assurance in the form of opinion as to whether:
  - a. the particulars set out at serial numbers 1, 2, 3, 4, 5, 9 in the accompanying Statement are in agreement with the audited books and records of the Company as on 31 March 2020;
  - b. the particulars set out at serial number 7 and 10 in the accompanying Statement are in agreement with the audited financial statements of the Company for the year ended 31 March 2020;
  - c. the financial information included in the accompanying Annexures IA and II with respect to computation of Net-Owned Funds ('NOF') and Asset-Income Pattern (AIP) respectively in the accompanying Statement has been accurately extracted from the audited financial statements and the underlying books and records maintained by the Company for the year ended 31 March 2020 and whether the calculations given therein are mathematically accurate. The method of calculation of NOF and AIP is as defined by the management and specified in the respective annexures;
  - d. the particulars set out relating to foreign direct investment received by the Company stated at serial number 11 in the accompanying Statement are in agreement with the audited books and records of the Company for the year ended 31 March 2020 and whether the Company has complied with the minimum capitalisation norms in terms of RBI's 'Master Direction – Foreign Investment in India' issued via FED Master Direction No. 11/2017-18 as amended for the year ended 31 March 2020 ;
  - e. as set out at serial number 16 in the accompanying Statement, there is any takeover/acquisition of control or change in shareholding or management of the Company requiring prior approval from RBI based on our examination of the audited books and records of the Company; and
  - f. the particulars set out at serial numbers 12, 13, 14 and 15 in the accompanying Statement are in agreement with the audited books and records of the Company for the year ended 31 March 2020.
7. Our audit of financial statements referred to in paragraph 3 and 6 above were conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
8. We conducted our examination of the records and information in the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

### Opinion

10. Based on our examination, evidences obtained and the information and explanation provided to us, along with the representations provided by the management, in our opinion:



# Walker Chandiook & Co LLP

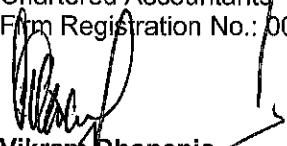
## Independent Auditor's Certificate on compliance with conditions for holding a Certificate of Registration granted under section 45-IA of the Reserve Bank of India Act, 1934 (cont'd)

- a. the particulars set out at serial numbers 1, 2, 3, 4, 5, 9 in the accompanying Statement are in agreement with the audited books and records of the Company as on 31 March 2020;
- b. the particulars set out at serial number 7 and 10 in the accompanying Statement are in agreement with the audited financial statements of the Company for the year ended 31 March 2020;
- c. the financial information included in Annexures IA and II with respect to computation of Net-Owned Funds ('NOF') and Asset-Income Pattern (AIP) stated in serial number 6 and 8 respectively in the accompanying Statement have been accurately extracted from the audited financial statements and the underlying books and records maintained by the Company for the year ended 31 March 2020 and the calculations given therein are mathematically accurate and compliant with the relevant RBI requirements;
- d. as set out in serial number 11 of the accompanying Statement based on our examination of the audited books of accounts and records of the Company for the year ended 31 March 2020; the Company does not have any foreign direct investment as at 31 March 2020;
- e. as set out at serial number 16 in the accompanying Statement, based on our examination of the audited books of accounts and records of for the year ended 31 March 2020, there has not been any takeover/acquisition of control or change in shareholding or management of the Company requiring prior approval from RBI; and
- f. since the Company is not a NBFC-Factor or NBFC-MFI or NBFC-AFC or NBFC-IFC; the particulars set out at serial number 12, 13, 14 and 15 are not applicable to the Company.

### Restriction on Distribution or Use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Master Directions. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
12. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of Master Directions which inter alia, requires it to submit the certificate by the statutory auditors along with the accompanying Statement and annexures to the RBI and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

  
**Vikram Dhanania**  
Partner  
Membership No.: 060568  
UDIN: 20060568AAAABJ9780



Place: Kolkata  
Date: 10 July 2020

# SHREE KRISHNA AGENCY LTD.

CIN: U51102RJ1939PLC000063

Administrative Office : 7, MUNSHI PREMCHAND SARANI, HASTINGS, KOLKATA -700 022

Tel : (033) 2223-0016/18; Fax: (033) 2223-1569; email :compliance@lnbgroup.com

Shree Krishna Agency Limited  
(Annexure I - Statement specified by RBI)

Sl No	Particulars	Details
1	Name of the Company	Shree Krishna Agency Limited
2	Certificate of Registration No.	10.00027 dated 08 March 1999
3	Registered Office Address	Sitaram Bag, Station Road, Didwana, Rajasthan - 341 303
4	Corporate Office Address	Sitaram Bag, Station Road, Didwana, Rajasthan - 341 303
5	The company has been classified by RBI as:	NBFC - Investment and Credit Company (NBFC-ICC).
6	Net Owned Funds (In ₹ crore) (Calculation of the same is given in the Annexure IA)	₹ 8.9 crores
7	Total Assets (In ₹ crore) (Calculation of the same is given in the Annexure II)	₹ 107.97 crores
8	Asset-Income Pattern: (In terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below) (Calculation of the same is given in the Annexure II)	96.99% 99.45%
9	Whether the company was holding any Public Deposits, as on March 31, 2019? If Yes, the amount in ₹ crore	No
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (In terms of Sec 45-IC of the RBI Act, 1934)	Yes
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	Not Applicable
12	If the company is classified as an NBFC factor: a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	Not Applicable
13	If the company is classified as an NBFC-MFI, % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011) (Calculation of the same is given in the Annexure IIA)	Not Applicable
14	If the company is classified as an AFC: a) % of Advances given for creation of physical/real assets supporting economic activity to Total Assets b) % of Income generated out of these assets to Total Income	Not Applicable
15	If the company is classified as an NBFC-IFC; % of Infrastructure Loans to Total Assets	Not Applicable
16	Has there been any takeover/acquisition of control/change in shareholding/Management during the year which required prior approval from RBI? (please refer to Master Directions Issued by DNBR i) Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions; and ii) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions.)	No

In terms of Chapter II of the Master Direction - Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, a separate report to the Board of Directors of the Company has been submitted.

We have read and understood the requirements of Chapter III of the Master Direction - Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.



For Shree Krishna Agency Ltd.

Company Secretary

Registered Office : SITARAM BAG, STATION ROAD, DIDWANA - 341303 ( RAJASTHAN)

# SHREE KRISHNA AGENCY LTD.

CIN: U51102RJ1939PLC000063

Administrative Office : 7, MUNSHI PREMCHAND SARANI, HASTINGS, KOLKATA -700 022

Tel : (033) 2223-0016/18; Fax: (033) 2223-1569; email :compliance@lnbgroup.com

Note:

(1) Impact of COVID-19 pandemic:

COVID-19, a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The national lockdown announced on 23 March 2020 affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating huge volatility in the stock markets. As a result, the Company's business is likely to be impacted by lower lending opportunities and decline in carrying value of investments, thereby impacting profitability. The impact of COVID-19 on Company's financial statements remain uncertain and dependent on extent of spread of the pandemic, steps taken by the Government and central bank to mitigate the economic impact, steps taken by the Company and its investee companies and the time it takes for economic activities to resume at normal levels as a result of which, actual results may differ.

In accordance with the Reserve Bank of India guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company granted moratorium of up to 3 months on repayment of all instalments and/ or interest, as applicable, falling due between 1 March 2020 and 31 May 2020 to all the eligible borrowers as per the Company's policy, however none of the borrowers availed the moratorium. Further, the Company will be extending moratorium to its borrowers as announced by RBI vide its subsequent notification dated 22 May 2020.

The stock exchanges, banks and financial institutions were permitted to function during the national lockdown and correspondingly the lending and investment activities of the Company remained operational. Basis the relaxations granted post the lockdown period, the Company's registered office have been made operational. The employees are permitted to work in accordance with the guidelines issued by the Ministry of Home Affairs (MHA) and the respective state governments. The Company's capital and liquidity position remains strong and would continue to be the focus area for the Management. There have been no significant changes to the Company's internal financial control other than providing remote access to some of its key employees during the lockdown to facilitate work from home.

Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the Company is well capitalised with low leverage, widely diversified in terms of its lending and investment activities and has adequate liquidity to service its obligations, sustain its operations and also look at any appropriate investment/lending opportunities.

The Company has maintained adequate provisions on loan assets based on the information available at this point of time including economic forecasts. The extent to which the current pandemic will impact the carrying value of investments and loan receivables is dependent on the future developments, which are highly uncertain at this point in time. The Company believes that it has considered all the possible impact of known events arising out of COVID 19 pandemic in the preparation of these financial statements. The impact assessment of COVID -19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.

(2). The regulatory capital and regulatory ratios has been computed considering the regulatory guidance on Ind AS issued by the Reserve Bank of India vide its notification dated 13 March 2020.

For Shree Krishna Agency Ltd.

  
I.K. Ojha  
Company Secretary



Registered Office : SITARAM BAG, STATION ROAD, DIDWANA – 341303 ( RAJASTHAN)



# SHREE KRISHNA AGENCY LTD.

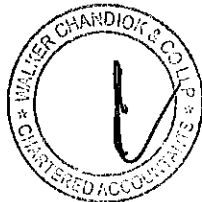
CIN: U51102RJ1939PLC000063

Administrative Office : 7, MUNSHI PREMCHAND SARANI, HASTINGS, KOLKATA -700 022

Tel : (033) 2223-0016/18; Fax: (033) 2223-1569; email :compliance@lnbgroup.com

Shree Krishna Agency Limited  
(Annexure IA - Calculation of Net Owned Fund)

		(Amounts in ₹ Crore)
S. No.	Capital Funds-Tier I	As at 31 March 2020
1	Paid up Equity Capital	0.56
2	Preference shares to be compulsorily converted into equity	10.39
3	Free Reserves	80.84
	a. General Reserve	2.85
	b. Share Premium	69.61
	c. Capital Reserves	-
	d. Debenture Redemption Reserve	-
	e. Capital Redemption Reserve	-
	f. Credit Balance in P&L Account	10.27
	g. Credit Balance in Other comprehensive income	(6.53)
	g. Other free reserves (Statutory Reserve)	4.64
4	Special Reserves	-
	Total of 1 to 4	91.79
5	Less: (i) Accumulated balance of Loss:	-
	(ii) Deferred Revenue Expenditure	-
	(iii) Deferred Tax Assets (Net)	-
	(iv) Other Intangible Assets	-
	Owned Fund	91.79
6	Investment in shares of	37.87
	(i) Companies in the same group	29.41
	(ii) Subsidiaries	6.11
	(iii) Wholly owned subsidiaries	2.35
	(iv) Other NBFCs	-
7	Book value of debentures, bonds, outstanding loans and advances, bills purchased and is counted (including H.P. and lease finance) made to, and deposits with;	54.20
	(i) Companies in the same group	54.20
	(ii) Subsidiaries	-
	(iii) Wholly owned subsidiaries/Joint Ventures Abroad	-
8	Total of 6 and 7	92.07
9	Amount in Item 8 in excess of 10% of Owned Fund	82.89
10	Net Owned Fund	8.90



For Shree Krishna Agency Ltd.

*I. K. Ojha*  
Company Secretary

# SHREE KRISHNA AGENCY LTD.

CIN: U51102RJ1939PLC000063

Administrative Office : 7, MUNSHI PREMCHAND SARANI, HASTINGS, KOLKATA -700 022

Tel : (033) 2223-0016/18; Fax: (033) 2223-1569; email :compliance@lnbgroup.com

## Shree Krishna Agency Limited (Annexure II- Statement of Asset and Income pattern)

Particular of Assets	(Amounts in ₹ Crore)	
	As at 31 March 2020	Percentage
<b>Financial Assets:</b>		
Investments in Securities (*)	45.19	41.85%
Loans and advances (including interest accrued)	59.53	55.14%
<b>Financial Assets (Total)</b>	<b>104.72</b>	<b>96.99%</b>
Cash and cash equivalents	1.31	1.21%
Other receivables	0.09	0.08%
Other non - financial assets	1.85	1.71%
<b>Non - Financial Assets (Total)</b>	<b>3.25</b>	<b>3.01%</b>
<b>Total assets</b>	<b>107.97</b>	<b>100.00%</b>

(\*) Investments in Securities above excludes unrealised gains (net) aggregating to ₹ 41.90 crores in accordance with RBI's regulatory guidance on implementation of Ind AS as notified vide notification dated 13 March 2020.

Particulars of Income	For the year ended 31 March 2020	%
<b>Financial Income:</b>		
Dividend Income	3.88	71.06%
Interest income on Loans and advances	6.12	112.09%
Net gain on fair value changes	(4.57)	-83.70%
<b>Financial Income (Total)</b>	<b>5.43</b>	<b>99.45%</b>
Non - Financial Income	0.03	0.55%
<b>Non-Financial Income (Total)</b>	<b>0.03</b>	<b>0.55%</b>
<b>Total Income</b>	<b>5.46</b>	<b>100.00%</b>



For Shree Krishna Agency Ltd.

*I.K. Ojha*  
Company Secretary

# Walker Chandlok & Co LLP

Walker Chandlok & Co LLP  
(Formerly Walker, Chandlok & Co)  
10 C Hungerford Street  
5th Floor, Kolkata 700017  
India

T +91 33 4050 8000

## Independent Auditor's Report

To the Members of Shree Krishna Agency Limited

## Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of Shree Krishna Agency Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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.

### Information other than the Financial Statements and Auditor's Report thereon

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



## **Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2020 (cont'd)**

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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

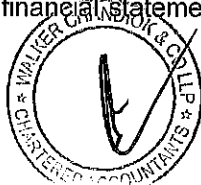
The Director's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. 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.
7. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, 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 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.



## Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2020 (cont'd)

- 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.
10. 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.

### Report on Other Legal and Regulatory Requirements

11. As required by section 197 (16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provision of and limits laid down under Section 197 read with Schedule V to the Act.
12. 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 the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, 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 purpose of our audit of the accompanying financial statements;
  - b) the financial statements dealt with by this report are in agreement with the books of account;
  - c) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - d) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
  - e) we have also audited the internal financial controls with reference to Financial Statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 12 June 2020 as per Annexure B expressed an unmodified opinion;
  - f) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2020;



# Walker Chandiook & Co LLP

## Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2020 (cont'd)

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

  
**Vikram Dhanania**

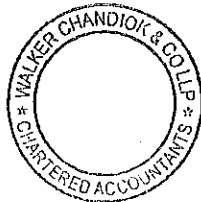
Partner

Membership No.: 060568

UDIN: 20060568AAAAAAS5262

**Place:** Kolkata

**Date:** 12 June 2020



# Walker Chandiook & Co LLP

## **Annexure A to the Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited, on the financial statements for the year ended 31 March 2020**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone 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, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant and equipment have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loan to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular; and
  - (c) there is no overdue amount in respect of loans granted to such company.
- (iv) The provisions of Sections 185 of the Act do not apply to the Company. In our opinion, the Company has not undertaken any transaction in respect of investments, guarantees and security covered under section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of section 186 of the Act in respect of loans given.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.



# Walker Chandiook & Co LLP

## Annexure A to the Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2020 (cont'd)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year, The Company has no loans or borrowings payable to government or no dues payable to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the terms loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS .
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under section 192 of the Act.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

### For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

  
**Vikram Dhanania**

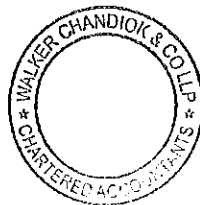
Partner

Membership No.: 060568

UDIN: 20060568AAAAAS5262

Place: Kolkata

Date: 12 June 2020





## **Annexure B to the Independent Auditor's Report of even date to the members of Shree Krishna Limited on the financial statements for the year ended 31 March 2020**

### **Annexure B**

#### **Independent Auditor's Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Shree Krishna Agency Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### **Responsibilities of Management and Those Charge with Governance for Internal Financial Controls**

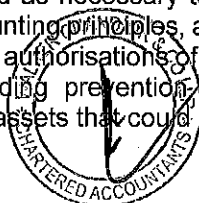
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance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

#### **Auditor's Responsibility for the audit of the Internal Financial Controls with Reference to Financial Statements**

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 were established and maintained and if such controls operated effectively in all material respects.
4. 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 includes obtaining an understanding of IFCoFR, 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.
5. 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 over Financial Reporting with Reference to Financial Statements**

6. A company's internal financial controls 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 controls with reference to financial statements include 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.



## Annexure B to the Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2020 (cont'd)

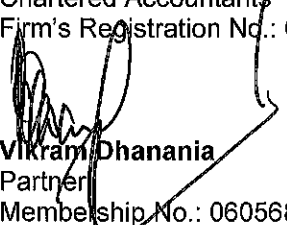
### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

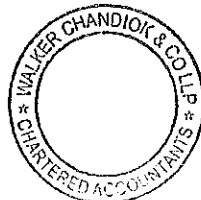
7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation 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

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

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
**Vikram Dhanania**  
Partner  
Membership No.: 060568  
UDIN: 20060568AAAAAS5262



Place: Kolkata  
Date: 12 June 2020

**Shree Krishna Agency Limited**  
**Balance Sheet as at 31 March 2020**

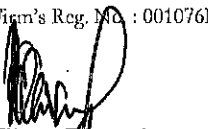
(All amounts in ₹ lacs, unless otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	3	130.59	11.56
(b) Loans	4	5,952.79	6,452.22
(c) Investments	5	8,709.49	7,797.99
(d) Other financial assets	6	8.89	6.52
		<u>14,801.76</u>	<u>14,268.29</u>
<b>Non-financial Assets</b>			
(a) Current tax assets (net)	25(b)	117.11	113.31
(b) Property, plant and equipment	7	65.74	95.55
(c) Other non-financial assets	8	2.17	2.19
		<u>185.02</u>	<u>211.05</u>
<b>Total Assets</b>		<u><u>14,986.78</u></u>	<u><u>14,479.34</u></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(a) Borrowings (other than debt securities)	9	911.39	537.06
(b) Other financial liabilities	10	17.26	12.89
		<u>928.65</u>	<u>549.95</u>
<b>Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	25(b)	8.76	-
(b) Provisions	11	1.77	0.88
(c) Deferred tax liabilities (net)	12	673.81	773.20
(d) Other non-financial liabilities	13	5.73	6.46
		<u>690.07</u>	<u>780.54</u>
<b>Equity</b>			
(a) Equity share capital	14	1,094.96	1,094.96
(b) Other equity	15	12,273.10	12,053.89
		<u>13,368.06</u>	<u>13,148.85</u>
<b>Total Liabilities and Equity</b>		<u><u>14,986.78</u></u>	<u><u>14,479.34</u></u>

Notes 1 - 36 form an integral part of these financial statements


This is the Balance Sheet referred to in our report of even date.

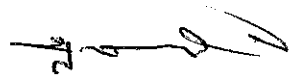
For Walker Chandiook & Co.LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

  
Vikram Dhanania  
Partner  
Membership No. 060568  
Place: Kolkata  
Date: 12 June 2020

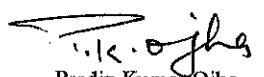


For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

  
L. N. Bangur  
Director  
(DIN: 00012617)  
Place: Kolkata

  
Brij Mohan Sharma  
Director  
(DIN: 00043332)  
Place: Didwana

  
Vikash Rathi  
Chief Financial Officer  
Place: Kolkata

  
Pradip Kumar Ojha  
Company Secretary  
Place: Kolkata

Date: 12 June 2020

Shree Krishna Agency Limited  
Statement of Profit and Loss for the year ended 31 March 2020  
(All amounts in ₹ lacs, unless otherwise stated)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
<b>Revenue from operations</b>			
(a) Interest income	16	612.44	648.18
(b) Dividend income	17	388.44	8.23
(c) Net gain on fair value changes	18	(456.66)	(55.96)
		<u>544.22</u>	<u>600.45</u>
<b>Other income</b>	19	2.05	3.53
<b>Total Income</b>		<u>546.27</u>	<u>603.98</u>
<b>Expenses</b>			
(a) Finance costs	20	70.77	136.40
(c) Impairment on financial instruments	21	(1.81)	(8.61)
(d) Employee benefits expenses	22	139.00	141.73
(e) Depreciation expense	23	29.81	0.29
(f) Other expenses	24	45.76	27.99
<b>Total Expenses</b>		<u>283.53</u>	<u>297.80</u>
<b>Profit before tax</b>		<u>262.74</u>	<u>306.18</u>
<b>Tax Expense:</b>			
(a) Current tax	25	100.00	80.00
(b) Deferred tax		(103.89)	0.04
(c) Prior year taxes		-	13.24
		<u>(3.89)</u>	<u>93.28</u>
<b>Profit for the year</b>		<u>266.63</u>	<u>212.90</u>
<b>Other Comprehensive Income</b>			
(a) (i) Items that will not be reclassified to profit or loss			
- Fair valuation of equity and preference instruments through other comprehensive income		(42.67)	(517.65)
- Remeasurement benefit of defined benefit plans		(0.25)	(0.20)
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.50	(93.58)
<b>Total other comprehensive income</b>		<u>(47.42)</u>	<u>(424.27)</u>
<b>Total comprehensive income for the year</b>		<u>219.21</u>	<u>(211.37)</u>
<b>Earnings per equity share</b>			
Basic (₹)	26	476.13	380.18
Diluted (₹)		24.35	19.44

Notes 1 - 36 form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Reg. No.: 001076N/N500013

Vikram Banania  
Partner  
Membership No. 060568  
Place: Kolkata  
Date: 12 June 2020



For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

L. N. Bangur  
Director  
(DIN: 00012617)  
Place: Kolkata

Brij Mohan Sharma  
Director  
(DIN: 00043332)  
Place: Didwana

Vikash Rathi  
Chief Financial Officer  
Place: Kolkata

Pradip Kumar Ojha  
Company Secretary  
Place: Kolkata

Date: 12 June 2020

Shree Krishna Agency Limited  
Statement of Changes in Equity for the year ended 31 March 2020  
(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
<b>A. Equity Share Capital</b>		
Balance at the beginning of the year	56.00	56.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>56.00</u>	<u>56.00</u>
<b>B. Preference Share Capital</b>		
Balance at the beginning of the year	1,038.96	1,038.96
Changes in preference share capital during the year	-	-
Balance at the end of the year	<u>1,038.96</u>	<u>1,038.96</u>

**C. Other Equity**

Particulars	Reserves and Surplus				Other comprehensive income	Total
	General Reserve	Securities Premium	Statutory Reserves	Retained Earnings	Fair valuation of equity Instruments through Other Comprehensive Income	
Balance at 1 April 2018	284.57	6,961.03	363.70	647.51	4,008.45	12,265.26
Profits for the year	-	-	-	212.90	-	212.90
Transferred to statutory reserves	-	-	46.75	(46.75)	-	-
Items of other comprehensive income:						
- Remeasurement of defined benefit plans	-	-	-	(0.20)	(517.65)	(517.85)
- Net fair value gain on investment in equity and	-	-	-	-	-	-
- Tax impact	-	-	-	0.05	93.53	93.58
Balance at 31 March 2019	<u>284.57</u>	<u>6,961.03</u>	<u>410.45</u>	<u>813.51</u>	<u>3,584.33</u>	<u>12,053.89</u>
Profits for the year	-	-	-	266.63	-	266.63
Transferred to statutory reserves	-	-	53.33	(53.33)	-	-
Items of other comprehensive income:						
- Remeasurement of defined benefit plans	-	-	-	(0.25)	-	(0.25)
- Net fair value gain on investment in equity and preference instruments through OCI	-	-	-	-	(42.67)	(42.67)
- Tax impact	-	-	-	0.06	(4.56)	(4.50)
Balance at 31 March 2020	<u>284.57</u>	<u>6,961.03</u>	<u>463.78</u>	<u>1,026.63</u>	<u>3,537.10</u>	<u>12,273.10</u>

Notes 1 - 36 form an integral part of these financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

Vikram Mahanania  
Partner  
Membership No. 060568  
Place: Kolkata  
Date: 12 June 2020



For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

L. N. Bangur  
Director  
(DIN: 00012617)  
Place: Kolkata

Vikash Rathi  
Chief Financial Officer  
Place: Kolkata

Date: 12 June 2020

Brij Mohan Sharma  
Director  
(DIN: 00043332)  
Place: Didwana

Pradip Kumar Ojha  
Company Secretary  
Place: Kolkata

Shree Krishna Agency Limited

Cash flow statement for the year ended 31 March 2020

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	262.74	306.18
Adjustments for:		
Net gain on fair value changes	456.66	55.96
Depreciation expense	29.81	0.29
Impairment of financial instruments	(1.81)	(8.61)
<b>Operating profit before working capital changes</b>	<b>747.40</b>	<b>353.82</b>
<b>Adjustments for changes in working capital</b>		
Decrease in loans	501.24	2,262.68
Increase in other financial assets	(2.37)	(1.29)
Decrease/ (increase) in other non-financial assets	0.02	(2.02)
(Decrease) / increase in other financial liabilities	4.37	(22.34)
Decrease in other non-financial liabilities	(0.73)	(8.31)
(Decrease) / increase in provisions	0.64	(1.75)
<b>Cash generated from operating activities</b>	<b>1,250.57</b>	<b>2,580.79</b>
Income tax paid (net of refunds)	(95.03)	(97.00)
<b>Net cash generated from operating activities</b>	<b>1,155.54</b>	<b>2,483.79</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	-	(95.62)
Purchase of investments	(1,576.73)	(946.42)
Sale of investments	165.83	1,003.12
<b>Net cash used in investing activities</b>	<b>(1,410.90)</b>	<b>(38.92)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	1,823.00	1,095.00
Repayment of borrowings	(1,448.61)	(3,556.00)
<b>Net cash generated from / (used in) financing activities</b>	<b>374.39</b>	<b>(2,461.00)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>119.03</b>	<b>(16.13)</b>
Cash and cash equivalents as at beginning of the year	11.56	27.69
<b>Cash and cash equivalents as at end of the year</b>	<b>130.59</b>	<b>11.56</b>
<b>Notes:</b>		
(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".		
(ii) Cash and cash equivalents comprises of:		
Cash on hand	0.17	0.28
Balances with banks		
- In current accounts	130.42	11.28
	<b>130.59</b>	<b>11.56</b>

This is the Cash flow Statement referred to in or report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Reg. No.: 001076N/N500013

Vikram Dhanania  
Partner  
Membership No: 060568  
Place: Kolkata  
Date: 12 June 2020



For and on behalf of the board of directors  
Shree Krishna Agency Limited

L. N. Bangur  
Director  
(DIN: 00012617)  
Place: Kolkata

Brij Mohan Sharma  
Director  
(DIN: 00043332)  
Place: Didwana

Vikash Rathie  
Chief Financial Officer  
Place: Kolkata  
Date: 12 June 2020

Pradip Kumar Ojha  
Company Secretary  
Place: Kolkata

**1 (a) Corporate Information**

Shree Krishna Agency Limited ("the Company") is a public limited company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is a non-deposit taking non-systemically Important Non-Banking Financial Company ("NBFC") registered with Reserve Bank of India ("the RBI") and is engaged in the business of providing loans and making investments in shares and securities.

**(b) Basis of preparation of financial statements**

These financial statements has been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act 2013 (the Act), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time (Ind AS) along with other relevant provisions of the Act; the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the NBFC Master Directions) issued by Reserve Bank of India (RBI) (as amended) and the regulatory guidance on implementation of Ind AS as notified by the RBI vide notification dated 13 March 2020.

The Guidance Note on Division III - Schedule III to the Act issued by the Institute of Chartered Accountants of India ("ICAI") has been followed insofar as they are not inconsistent with any of these Directions

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

**(c) Presentation of financial statements**

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 note 32.

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) Significant accounting judgements, estimates and assumptions**

The preparation of the 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**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.

**Provisions and other contingent liabilities**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. 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.

**(e) Application of new accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.



## 2 Significant accounting policies

### 2.01 Revenue recognition

#### Interest income (Effective interest rate method)

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets net of upfront processing fees. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis. For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

#### Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

#### Trading income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

### 2.02 Financial instruments

#### Point of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits 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. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

#### Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as per the principles of the Ind AS. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts mentioned below:

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

#### Subsequent measurement of financial liabilities

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.





## 2 Significant accounting policies (cont'd)

### 2.02 Financial instruments (cont'd)

#### Subsequent measurement of financial assets

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following 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)

#### (a) Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### (b) Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt and equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Company has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and they are not held for trading. The Company has made such election on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

#### (c) Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

#### Financial assets or financial liabilities held for trading:

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.



2 Significant accounting policies (cont'd)

2.02 Financial instruments (cont'd)

**De-recognition:**

**(a) Financial asset:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**(b) Financial liability:**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

**Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**Offsetting of financial instruments:**

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



## 2 Significant accounting policies (cont'd)

### 2.03 Fair Value

The Company measures its financial instruments at fair value in accordance with the accounting policies mentioned above. 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

- Level 2 - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

• Level 3 - Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### 2.04 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

#### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

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

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venture or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



2 Significant accounting policies (cont'd)

2.04 Income taxes (cont'd)

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.05 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.06 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

2.07 Employee Benefits

**Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**Post-employment benefits**

**(i) Defined contribution plans**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

**Recognition and measurement of defined contribution plans:**

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**(ii) Defined benefit plans**

**Gratuity scheme:**

Gratuity is a post employment benefit and is a defined benefit plan. The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if any. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

**Recognition and measurement of defined benefit plans**

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company does not presents the above liability/(asset) as current and non-current in the Balance Sheet as per the principles of Division III financial statements as per the MCA notification dated 11 October 2018.

**(iii) Other long-term employee benefits:**

Entitlements to compensated absences are recognized as and when they accrue to employees and they are considered to be a financial liability, since the accumulated leaves can be encashed at the end of every year.



## 2 Significant accounting policies (cont'd)

### 2.08 Lease accounting

The Company has adopted Ind AS 116 - Leases w.e.f. 1 April 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application i.e. 1 April 2019. Accordingly, previous period information has not been restated.

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

#### Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset ('ROU') and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

#### Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

#### Presentation

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

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### 2.09 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

### 2.10 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

### 2.11 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

### 2.12 Property, plant & equipment

#### Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

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.



**2 Significant accounting policies (cont'd)**

**2.12 Property, plant & equipment (cont'd)**

**Capital work-in-progress and capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-financial assets.

**Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Individual assets costing less than INR 5,000 are depreciated in full in the year of acquisition.

**De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**2.13 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 groups 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 the 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.

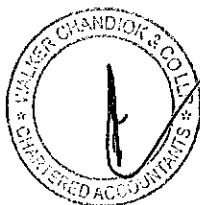
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously 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.

**2.14 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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 are adjusted for the effects of all dilutive potential equity shares.

*(This space has been intentionally left blank.)*



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
<b>3 Cash and cash equivalents</b>		
Cash on hand	0.17	0.28
Balances with banks in current account	130.42	11.28
	<b>130.59</b>	<b>11.56</b>

*(This space has been intentionally left blank.)*



Shree Krishna Agency Limited  
Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lacs, unless otherwise stated)

4 Loans

	As at 31 March 2020				As at 31 March 2019			
	Amortised Cost	At fair value through profit and loss	At fair value through other comprehensive income	Total	Amortised Cost	At fair value through profit and loss	At fair value through other comprehensive income	Total
<b>(A) Loans</b>								
Loans repayable on demand:								
- To related parties (refer note 27)	5,419.42	-	-	5,419.42	5,878.50	-	-	5,878.50
- To others	518.50	-	-	518.50	553.50	-	-	553.50
Interest accrued	42.28	-	-	42.28	49.44	-	-	49.44
<b>Total (A) - Gross</b>	<b>5,980.20</b>	-	-	<b>5,980.20</b>	<b>6,481.44</b>	-	-	<b>6,481.44</b>
Less: Impairment allowance [refer note (a) below]	(27.41)	-	-	(27.41)	(29.22)	-	-	(29.22)
<b>Total (A) - Net</b>	<b>5,952.79</b>	-	-	<b>5,952.79</b>	<b>6,452.22</b>	-	-	<b>6,452.22</b>
<b>(B) Security</b>								
Secured by tangible assets	-	-	-	-	-	-	-	-
Secured by intangible assets	-	-	-	-	-	-	-	-
Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-
Unsecured	5,980.20	-	-	5,980.20	6,481.44	-	-	6,481.44
<b>Total (B) - Gross</b>	<b>5,980.20</b>	-	-	<b>5,980.20</b>	<b>6,481.44</b>	-	-	<b>6,481.44</b>
Less: Impairment loss allowance [refer note (a) below]	(27.41)	-	-	(27.41)	(29.22)	-	-	(29.22)
<b>Total (B) - Net</b>	<b>5,952.79</b>	-	-	<b>5,952.79</b>	<b>6,452.22</b>	-	-	<b>6,452.22</b>
<b>(C) Other details</b>								
<b>(i) Loans in India</b>								
- Public Sector	-	-	-	-	-	-	-	-
- Others	5,980.20	-	-	5,980.20	6,481.44	-	-	6,481.44
<b>Total (C) (i) - Gross</b>	<b>5,980.20</b>	-	-	<b>5,980.20</b>	<b>6,481.44</b>	-	-	<b>6,481.44</b>
Less: Impairment loss allowance [refer note (a) below]	(27.41)	-	-	(27.41)	(29.22)	-	-	(29.22)
<b>Total (C) (i) - Net</b>	<b>5,952.79</b>	-	-	<b>5,952.79</b>	<b>6,452.22</b>	-	-	<b>6,452.22</b>
<b>(ii) Loans outside India</b>								
<b>Total (C) (ii) - Gross</b>	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-
<b>Total (C) (ii) - Net</b>	-	-	-	-	-	-	-	-
<b>Total (C) (i) and (ii) - Net</b>	<b>5,952.79</b>	-	-	<b>5,952.79</b>	<b>6,452.22</b>	-	-	<b>6,452.22</b>

(a) Movement in impairment loss allowance during the period is as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
Balance at the beginning of the year	29.22	37.83
Add: Provision made during the year	(1.81)	(8.61)
Less: Provision reversed during the year	27.41	29.22
Balance at the end of the year (refer note 33)		





Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

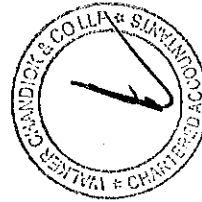
(All amounts in ₹ lacs, unless otherwise stated)

5 Investments

	As at 31 March 2020				As at 31 March 2019							
	Amortised Cost	Through other comprehensive income	At fair value Through profit or loss	Designated at fair value through profit or loss	Others (%)	Total	Amortised Cost	Through other comprehensive income	At fair value Through profit or loss	Designated at fair value through profit or loss	Others (%)	Total
Mutual Funds	-	-	584.73	-	-	584.73	-	-	36.76	-	-	36.76
Government Securities	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-
Equity Instruments	-	4,719.32	-	-	-	4,719.32	-	4,580.73	-	-	-	4,580.73
Subsidiaries (*)	59.44	-	-	-	846.00	905.44	59.44	-	-	-	621.00	680.44
Associates (*)	-	-	-	-	2,300.00	2,300.00	-	-	-	-	2,500.00	2,500.00
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-
Preference Instruments	-	-	-	-	-	-	-	0.06	-	-	-	0.06
<b>Total Gross (A)</b>	<b>59.44</b>	<b>4,719.32</b>	<b>584.73</b>	<b>-</b>	<b>3,346.00</b>	<b>8,709.49</b>	<b>59.44</b>	<b>4,580.79</b>	<b>36.76</b>	<b>-</b>	<b>3,121.00</b>	<b>7,797.99</b>
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	59.44	4,719.32	584.73	-	3,346.00	8,709.49	59.44	4,580.79	36.76	-	3,121.00	7,797.99
<b>Total (B)</b>	<b>59.44</b>	<b>4,719.32</b>	<b>584.73</b>	<b>-</b>	<b>3,346.00</b>	<b>8,709.49</b>	<b>59.44</b>	<b>4,580.79</b>	<b>36.76</b>	<b>-</b>	<b>3,121.00</b>	<b>7,797.99</b>
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Net (D) = (A) - (C)</b>	<b>59.44</b>	<b>4,719.32</b>	<b>584.73</b>	<b>-</b>	<b>3,346.00</b>	<b>8,709.49</b>	<b>59.44</b>	<b>4,580.79</b>	<b>36.76</b>	<b>-</b>	<b>3,121.00</b>	<b>7,797.99</b>

(\*) Investments in subsidiaries and associates are measured at cost in accordance with Ind AS 27

(This space has been intentionally left blank)



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 Investments (cont'd)

	Face value	As at 31 March 2020		As at 31 March 2019	
		Number	Amount	Number	Amount
<b>(a) Investment in Mutual funds</b>					
<b>Quoted, Non-trade</b>					
<b>(Measured at FVTPL)</b>					
HDFC Medium Term Opportunities Fund (Growth)	10	-	-	176,646	36.76
					<u>36.76</u>
<b>Others, held for sale</b>					
<b>(Measured at FVTPL)</b>					
JM Large Cap Fund (Growth)	10	5,011,225	584.73	-	-
			<u>584.73</u>		<u>-</u>
<b>Total investment in mutual funds</b>			<u>584.73</u>		<u>36.76</u>
<b>(b) Investment in equity instruments</b>					
<b>Unquoted</b>					
<b>(Non-trade, measured at FVTOCI)</b>					
Bengal Coal Co. Limited	100	150	-	150	-
Chakrine Greenfield Private Limited	10	1,500	0.02	1,500	0.02
Dishay Greenhub Private Limited	10	1,600	0.02	1,600	0.02
GoldSquare Sales India Private Limited	10	10	-	10	-
Hind Cycle Limited	100	50	-	50	-
Hindustan Mercantile Bank Limited	100	5	-	5	-
Hope Metal Industries (I) Limited	10	640	-	640	-
Indian Standard Wagon Co. Limited	10	425	-	425	-
Kapilay Greeneries Private Limited	10	1,700	2.49	1,700	2.05
M.B. Commercial Co. Limited	10	37,000	1,381.12	37,000	908.26
Maharaja Shree Umaid Mills Limited	10	504,400	158.38	504,400	182.59
Megna Mills Limited	10	3,500	-	3,500	-
Mysore Silk Filatures Limited	10	200	-	200	-
Navjyoti Commodity Management Services Limited	10	175,000	129.31	175,000	108.50
Placid Limited	100	60,212	2,269.39	60,212	2,462.07
Punjab Sugar Mills Limited	100	15	-	15	-
Shree Godawari Boards Private Limited	100	275	-	275	-
The Kishore Trading Co. Limited	100	5,625	440.26	5,625	487.61
The Swadeshi Cotton Mills Co. Limited	10	900	-	900	-
Union Jute Co. Limited	100	50	-	50	-
Virochanaye Greenfield Private Limited	10	1,900	0.02	1,900	0.02
Walford Transport Limited	1	18,000	-	18,000	-
			<u>4,381.01</u>		<u>4,151.14</u>

(This space has been intentionally left blank)



Shree Krishna Agency Limited

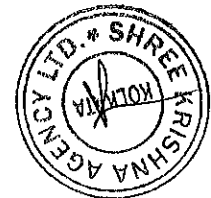
Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 Investments (cont'd)

	Face value	As at 31 March 2020		As at 31 March 2019	
		Number	Amount	Number	Amount
<b>(b) Investment in equity instruments</b>					
<b>Quoted</b>					
(Non-trade, measured at FVTOCI)					
ACE Laboratories Limited	10	1,771	-	1,771	-
APS Star Ind. Limited	10	51	-	51	-
Bankura Damodar River Railway & Holding Co. Limited	10	125	-	125	-
Daewoo Motors Limited	10	2,000	-	2,000	-
Dynasty Walford Limited	1	18,000	-	18,000	-
Fusion Polymers Limited	10	800	-	800	-
GEE Limited	2	45,000	10.49	45,000	15.75
Godrej Industries Limited	1	9	0.03	9	0.05
Gujarat Steel Tubes Limited	10	30	-	30	-
HEG Limited	10	50	0.24	50	1.05
Hyderabad Industries Limited	10	290	1.83	290	5.36
Hyderabad Lamps Limited	10	1,900	-	1,900	-
Incab Industries Limited	10	4,100	-	4,100	-
Indo Count Industries Limited	2	525	0.12	525	0.25
ISPL Industries Limited	10	1,000	-	1,000	-
J.K. Cement Limited	10	4	0.04	4	0.03
J.K. Cotton Spinning and Weaving Mills Limited	10	200	-	200	-
Kesar Petro Products Limited	1	9	-	9	-
Kesoram Textiles Limited	2	3,400	0.62	3,400	2.36
Kiran Vyapar Limited	10	302,400	153.47	302,400	311.32
MMP Industries	10	186,600	109.25	-	-
Mohota Industries Limited	10	560,000	23.80	-	-
Port Shipping Co. Limited	10	37,500	-	37,500	-
Premier Cable Co. Limited	10	500	-	500	-
Presidency Export & Industries Limited	5	45	-	45	-
Richmen Silk Limited	10	1,000	-	1,000	-
Shree Synthetics Limited	10	15	-	15	-
Sijua (Jherriah) Electric Supply Co. Limited	10	133	-	133	-
Spentex Industries Limited	10	100	-	100	-
Sukhjit Starch & Chemicals Limited	10	1,320	1.76	660	1.69
Swetha Engineering Limited	10	22,700	-	22,700	-
The Peria Karmalai Tea & Produce Company Limited	10	53,446	36.61	53,446	91.61
TRF Limited	10	105	0.05	105	0.12
			<b>338.31</b>		<b>429.59</b>
<b>Total investment in equity instruments</b>			<b>4,719.32</b>		<b>4,580.73</b>

(This space has been intentionally left blank)



## 5 Investments (cont'd)

	Face value	As at 31 March 2020		As at 31 March 2019	
		Number	Amount	Number	Amount
<b>(c) Investment in subsidiaries</b>					
<b>Equity instruments, unquoted</b> (Measured at cost)					
Divyay Groceries Private Limited	10	2,350,000	235.00	100,000	10.00
			<u>235.00</u>		<u>10.00</u>
<b>Preference instruments, unquoted</b> (Measured at cost)					
Amritpay Greenfield Private Limited	100	210,000	210.00	210,000	210.00
Sarvay Greenhub Private Limited	100	400,000	401.00	400,000	401.00
			<u>611.00</u>		<u>611.00</u>
<b>Deemed Investment (refer note below)</b> (Measured at cost)					
Divyay Groceries Private Limited			59.44		59.44
			<u>59.44</u>		<u>59.44</u>
<b>Total investment in subsidiaries</b>					
			<u>905.44</u>		<u>680.44</u>
<b>Measured at Cost</b>					
			<u>846.00</u>		<u>621.00</u>
<b>Deemed investment</b>					
			<u>59.44</u>		<u>59.44</u>

Note: Deemed investment has been recognised on interest free loan given to the subsidiary Company.

## (d) Investment in associates

**Preference instruments, unquoted**  
(Measured at cost)

LNB Renewable Energy Private Limited	100	2,000,000	2,500.00	2,000,000	2,500.00
			<u>2,500.00</u>		<u>2,500.00</u>

## (e) Investment in preference instruments

**Unquoted**  
(Measured at FVTOCI)

Baranagore Jute Factory Co Limited	5	1,429	-	1,429	-
Bengal Paper Mills Co Limited	100	1,789	-	1,789	-
Birds Jute & Exports Limited	100	255	-	255	-
Borrea Coal Co Limited	100	254	-	254	-
Bowreah Cotton Mills Co Limited	100	50	-	50	-
Burn & Co Limited	100	282	-	282	-
Cawnpore Sugar Works Limited	100	266	-	266	-
GoldSquare Sales India Private Limited	50	5,538	0.06	5,538	0.06
Kalyanmal Mills Limited	100	260	-	260	-
Kamarhatty Co Limited	100	490	-	490	-
Karanpura Collieries Limited	100	75	-	75	-
Mohini Mills Limited	10	6,168	-	6,168	-
New Samanbagh Tea Co Limited	100	70	-	70	-
North Brook Jute Co Limited	100	1,037	-	1,037	-
Reliance Jute & Industries Limited	100	75	-	75	-
			<u>0.06</u>		<u>0.06</u>

## 6 Other financial assets

## Other receivables

	As at 31 March 2020	As at 31 March 2019
	8.89	6.52
	<u>8.89</u>	<u>6.52</u>



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

7 Property, plant and equipment

	Land and building	Furniture and fixtures	Office equipments	Vehicles	Total
<b>Gross block</b>					
Balance as at 01 April 2018	0.06	0.08	0.08	0.06	0.28
Additions	-	-	-	95.62	95.62
Disposals	-	-	-	-	-
Balance as at 31 March 2019	0.06	0.08	0.08	95.68	95.90
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2020	0.06	0.08	0.08	95.68	95.90
<b>Accumulated depreciation</b>					
Balance as at 01 April 2018	-	0.02	0.02	0.02	0.06
Depreciation charge for the year	-	0.02	0.01	0.26	0.29
Disposals	-	-	-	-	-
Balance as at 31 March 2019	-	0.04	0.03	0.28	0.35
Depreciation charge for the year	-	0.01	0.01	29.79	29.81
Disposals	-	-	-	-	-
Balance as at 31 March 2020	-	0.05	0.04	30.07	30.16
<b>Carrying value</b>					
As at 31 March 2019	0.06	0.04	0.05	95.40	95.55
As at 31 March 2020	0.06	0.03	0.04	65.61	65.74

8 Other non-financial assets

Prepaid expenses  
Other advances

	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	2.07	2.06
Other advances	0.10	0.13
	<u>2.17</u>	<u>2.19</u>

(This space has been intentionally left blank.)



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

9 Borrowings (other than debt securities)

	As at 31 March 2020			As at 31 March 2019				
	At fair value through profit or loss	At amortised cost	Designated at fair value through profit or loss	Total	At fair value through profit or loss	At amortised cost	Designated at fair value through profit or loss	Total
Term loans [refer note (a) below]:								
- from banks (secured)	61.39	-	-	61.39	-	85.06	-	85.06
Loans repayable on demand [refer note (b) below]:								
- from related parties (refer note 27) (unsecured)	850.00	-	-	850.00	-	452.00	-	452.00
	<b>911.39</b>	-	-	<b>911.39</b>	-	<b>537.06</b>	-	<b>537.06</b>
Borrowings within India	911.39	-	-	911.39	-	537.06	-	537.06
Borrowings outside India	-	-	-	-	-	-	-	-
	<b>911.39</b>	-	-	<b>911.39</b>	-	<b>537.06</b>	-	<b>537.06</b>

Terms and conditions:

(a) Term loans:

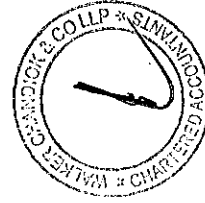
Vehicle loan from banks is secured by hypothecation of vehicles financed there against and carries an interest rate of 8.85% p.a. It is repayable in 39 equal monthly instalments of ₹ 2.52 lacs each, which has commenced from 24 April 2019.

(b) Loans repayable on demand:

Loan from related parties:

The loan is repayable on demand and carries an interest rate of 9.25% p.a.

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
<b>10 Other financial liabilities</b>		
Dues to employees	6.66	3.60
Other payables	9.40	8.09
Security deposits	1.20	1.20
	<u>17.26</u>	<u>12.89</u>
<b>11 Provisions</b>		
Provision for employee benefits		
- Gratuity (refer note 22)	1.77	0.88
	<u>1.77</u>	<u>0.88</u>
<b>12 Deferred taxes</b>		
<b>(a) Deferred tax liabilities, net</b>		
<b>Deferred tax liability:</b>		
Fair valuation on investments carried at fair value through OCI	786.61	782.05
Fair valuation on investments carried at fair value through profit and loss	(101.66)	3.73
<b>Total deferred tax liabilities</b>	<u>684.95</u>	<u>785.78</u>
<b>Deferred tax assets:</b>		
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	2.41	0.07
Provision for employee benefits	2.06	1.31
Provision for impairment allowance	6.67	11.20
<b>Total deferred tax assets</b>	<u>11.14</u>	<u>12.58</u>
<b>Deferred tax liabilities (net)</b>	<u>673.81</u>	<u>773.20</u>

*(This space has been intentionally left blank.)*



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

12 Deferred taxes (cont'd)

(a) Deferred tax liabilities, net (cont'd)

Movement in deferred tax liabilities for year ended 31 March 2019:

Particulars	As at 01 April 2018	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2019
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	875.68	-	(93.63)	782.05
Fair valuation on investments carried at fair value through PL	3.47	0.26	-	3.73
<b>Total</b>	<b>879.15</b>	<b>0.26</b>	<b>(93.63)</b>	<b>785.78</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	0.07	-	-	0.07
Provision for employee benefits	1.14	0.22	(0.05)	1.31
Provision for impairment allowance	11.20	-	-	11.20
<b>Total</b>	<b>12.41</b>	<b>0.22</b>	<b>(0.05)</b>	<b>12.58</b>
<b>Deferred tax liabilities (net)</b>	<b>866.74</b>	<b>0.04</b>	<b>(93.58)</b>	<b>773.20</b>

Movement in deferred tax liabilities for year ended 31 March 2020:

Particulars	As at 31 March 2019	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2020
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	782.05	-	4.56	786.61
Fair valuation on investments carried at fair value through profit and loss	3.73	(105.39)	-	(101.66)
<b>Total</b>	<b>785.78</b>	<b>(105.39)</b>	<b>4.56</b>	<b>684.95</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	0.07	2.34	-	2.41
Provision for employee benefits	1.31	0.69	0.06	2.06
Provision for impairment allowance	11.20	(4.53)	-	6.67
<b>Total</b>	<b>12.58</b>	<b>(1.50)</b>	<b>0.06</b>	<b>11.14</b>
<b>Deferred tax liabilities (net)</b>	<b>773.20</b>	<b>(103.89)</b>	<b>4.50</b>	<b>673.81</b>

Note:

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

13 Other non-financial liabilities

Statutory dues

	As at 31 March 2020	As at 31 March 2019
	5.73	6.46
	<b>5.73</b>	<b>6.46</b>





Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
<b>14 Equity share capital</b>				
<b>Authorized share capital</b>				
Equity shares of ₹ 100 each	100,000	100.00	100,000	100.00
Preference shares of ₹ 100 each	1,200,000	1,200.00	1,200,000	1,200.00
		<u>1,300.00</u>		<u>1,300.00</u>
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of ₹ 100 each	56,000	56.00	56,000	56.00
Preference Shares of ₹ 100 each	1,038,960	1,038.96	1,038,960	1,038.96
		<u>1,094.96</u>		<u>1,094.96</u>

(a) Reconciliation of equity share capital

Equity Shares

Balance at the beginning of the year	56,000	56.00	56,000	56.00
Add: Shares issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>56,000</b>	<b>56.00</b>	<b>56,000</b>	<b>56.00</b>

Preference Shares

Balance at the beginning of the year	1,038,960	1,038.96	1,038,960	1,038.96
Add: Shares issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>1,038,960</b>	<b>1,038.96</b>	<b>1,038,960</b>	<b>1,038.96</b>

(b) Terms and rights attached to equity shares

Equity Shares

The Company has only one class of equity shares having a par value of ₹ 100 per share and confer similar right as to dividend and voting. In the event of liquidation of the Company, the holders of the 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.

The Company has only one class of Non-cumulative participating compulsorily convertible preference shares having a face value of ₹ 100 per share. The preference shares carries a preferential right to receive a dividend of 8% in case of payment of dividend to equity shareholders and shall stand increase to the rate of dividend paid to equity share holders subject to a maximum of 12%. The preference shares shall be compulsorily convertible at par after a period of 20 years from the date of allotment being 13 November 2013 or earlier on such date as may be fixed by the Board of Directors. The preference shares shall have, on winding up, a preferential right to the repayment of capital paid up there on in preference to the equity share, but shall not have any such right to participate in the surplus, if remaining, after payment of entire capital.

(c) Details of shareholders holding more than 5% shares in the Company:

	As at 31 March 2020		As at 31 March 2019	
	Number	Percentage	Number	Percentage
<b>Equity shares of ₹ 100 each</b>				
M.B. Commercial Co. Limited	3,600	6.43%	3,600	6.43%
Placid Limited	18,600	33.21%	18,600	33.21%
The General Investment Company Limited	10,440	18.64%	10,440	18.64%
The Kishore Trading Company Limited	8,760	15.64%	8,760	15.64%
	<b>41,400</b>	<b>73.93%</b>	<b>41,400</b>	<b>73.93%</b>
<b>Preference shares of ₹ 100 each</b>				
Kiran Vyapar Limited (Holding Company)	1,038,960	100.00%	1,038,960	100.00%
	<b>1,038,960</b>	<b>100.00%</b>	<b>1,038,960</b>	<b>100.00%</b>

(d) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
<b>15 Other equity</b>		
General reserve	284.57	284.57
Securities premium	6,961.03	6,961.03
Statutory reserves	463.78	410.45
Retained earnings	1,026.63	813.51
Other comprehensive income	3,537.10	3,584.33
	<u>12,273.10</u>	<u>12,053.89</u>

**(a) Description of nature and purpose of each reserve:**

**Retained earnings**

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

**General reserve**

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

**Statutory reserve**

The Company is required to create a reserve in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934. Accordingly 20% of the profits after tax for the year is transferred to this reserve at the end of every reporting period.

**Other comprehensive income**

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off, if any. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income.

*(This space has been intentionally left blank.)*



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lacs, unless otherwise stated)

16 Interest Income

	Year ended 31 March 2020			Year ended 31 March 2019				
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through profit or loss	Total
(a) Financials assets measured at Amortised Cost	-	612.44	-	612.44	-	648.18	-	648.18
Interest on loans	-	612.44	-	612.44	-	648.18	-	648.18

(This space has been intentionally left blank.)



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
<b>17 Dividend Income</b>		
Dividend income on investments	388.44	8.23
	<u>388.44</u>	<u>8.23</u>
<b>18 Net gain / (loss) on fair value changes</b>		
<b>(a) Net gain/(loss) on financial instruments at fair value through profit or loss</b>		
<b>(i) on trading portfolio (held for sale):</b>		
- Investments	(43.10)	(60.56)
<b>(ii) on financial instruments designated at fair value through profit or loss:</b>		
- mutual funds	(413.56)	4.60
	<u>(456.66)</u>	<u>(55.96)</u>
<b>Fair value changes:</b>		
- Realised	(24.63)	(57.10)
- Unrealised	(432.03)	1.14
	<u>(456.66)</u>	<u>(55.96)</u>
<b>19 Other income</b>		
Rental income	2.05	3.53
	<u>2.05</u>	<u>3.53</u>

(This space has been intentionally left blank.)



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2020			Year ended 31 March 2019		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
<b>20 Finance costs</b>						
- Interest on borrowings	70.77	-	70.77	-	134.82	134.82
- Other interest expense	-	-	-	-	1.58	1.58
	<u>70.77</u>	<u>-</u>	<u>70.77</u>	<u>-</u>	<u>136.40</u>	<u>136.40</u>
<b>21 Impairment on financial instruments</b>						
Loans	(1.81)	-	(1.81)	-	(8.61)	(8.61)
	<u>(1.81)</u>	<u>-</u>	<u>(1.81)</u>	<u>-</u>	<u>(8.61)</u>	<u>(8.61)</u>

**Note:**

The Company has categorised all its financial assets at low credit risks on account of no past trends of defaults by any parties. Therefore, the provision for expected credit loss has been made as per the Reserve Bank of India's prudential norms at 0.4% of the loan assets (which are not credit impaired).

*(This space has been intentionally left blank.)*



	Year ended 31 March 2020	Year ended 31 March 2019
<b>22 Employee benefits expenses</b>		
Salaries and wages	137.80	140.42
Contribution to provident and other funds	0.64	0.34
Staff welfare expenses	0.56	0.97
	<b>139.00</b>	<b>141.73</b>

**(a) Defined benefits plans - Gratuity (unfunded)**

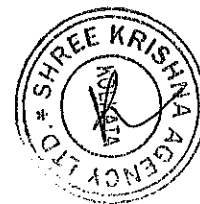
Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method.

Aforesaid defined benefit plans typically expose the Company to actuarial risks such as pay as you go risk, salary risk, investment risk and longevity risk.

Pay as you go risk	For unfunded schemes, financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.
Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality plan of the participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the Balance Sheet for the respective plans:

	Year ended 31 March 2020	Year ended 31 March 2019
<b>(i) Change in projected benefit obligation</b>		
Projected benefit obligation at the beginning of the year	0.88	1.46
Current service cost	0.57	0.27
Interest cost	0.07	0.07
Actuarial (gain)/loss arising from assumption changes	0.32	-
Actuarial (gain)/loss arising from experience adjustments	(0.07)	0.20
Benefits paid	-	(1.12)
Projected benefit obligation at the end of the year	<b>1.77</b>	<b>0.88</b>
<b>(ii) Components of net cost charged to the Statement of Profit and Loss</b>		
<b>Employee benefits expense:</b>		
- Current service costs	0.57	0.27
- Defined benefit costs recognized Statement of Profit and Loss	-	-
<b>Finance costs</b>		
- Interest costs	0.07	0.07
- Interest income	-	-
<b>Net impact on profit before tax</b>	<b>0.64</b>	<b>0.34</b>



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
<b>22 Employee benefits expenses (cont'd)</b>		
<b>(iii) Components of net cost charged taken to Other comprehensive income</b>		
Actuarial (gain)/loss arising from assumption changes	0.32	-
Actuarial (gain)/loss arising from experience adjustments	(0.07)	0.20
	<b>0.25</b>	<b>0.20</b>
<b>(iv) Key actuarial assumptions</b>		
Discount rate	6.67%	7.70%
Salary growth rate	8.00%	8.00%
Retirement age	58 years	58 years
	As at	
	31 March 2020	31 March 2019
<b>Mortality rate:</b>		
Less than 30 years	2%	2%
31-44 years	2%	2%
45 years and above	2%	2%

**(v) Sensitivity analysis**

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
DBO with discount rate + 1%	1.46	0.73
DBO with discount rate - 1%	2.17	1.07
DBO with + 1% salary escalation	2.16	1.07
DBO with - 1% salary escalation	1.46	0.73
DBO with + 50% withdrawal rate	1.70	0.86
DBO with - 50% withdrawal rate	1.85	0.90
DBO with + 10% mortality rate	1.77	0.88
DBO with - 10% mortality rate	1.77	0.88

**Methods and assumptions used in preparing sensitivity analysis and their limitations:**

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. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

**(vi) Maturity analysis of the benefit payments:**

Weighted average duration of the gratuity plan is 19.85 years (31 March 2019 - 20.13 years). Expected benefits payments for each such plans over the years is given in the table below:

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	0.02	0.01
2 to 5 years	0.11	0.07
6 to 10 years	0.24	0.14
More than 10 years	7.26	4.49



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
<b>23 Depreciation expense</b>		
Depreciation on property, plant and equipment (refer note 7)	29.81	0.29
	<b>29.81</b>	<b>0.29</b>
<b>24 Other expenses</b>		
Rent	0.07	0.65
Rates and taxes	2.00	1.22
Legal and professional	28.04	14.50
Travelling and conveyance	1.02	0.59
Printing and stationery	0.07	0.36
Insurance	1.82	-
Miscellaneous	8.88	5.75
Payment to auditors:		
- Statutory audit	3.12	4.03
- Others	0.74	0.89
	<b>45.76</b>	<b>27.99</b>
<b>25 Tax expense</b>		
Current tax	100.00	80.00
Deferred tax	(103.89)	0.04
Prior year taxes	-	13.24
	<b>(3.89)</b>	<b>93.28</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 24.48% and 27.82% for financial year ended 31 March 2020 and 31 March 2019 respectively and the reported tax expense in profit or loss are as follows:

(a) Reconciliation of income tax provision to the amount computed by applying the statutory tax rate:

Profit before tax	262.74	306.18
Enacted tax rates in India (%)	25.17%	27.82%
Computed tax expense	66.13	85.18
Prior year tax	-	13.24
Effect of non-deductible expenses	19.05	11.28
Effect of income exempted from tax	(97.76)	(2.29)
Other adjustments	8.69	(14.13)
<b>Total income tax expense as per the Statement of Profit and Loss</b>	<b>(3.89)</b>	<b>93.28</b>

Note:

The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its deferred tax assets basis the rate prescribed in the said section. The full impact of this change has been recognised in the Statement of Profit and Loss for the year.

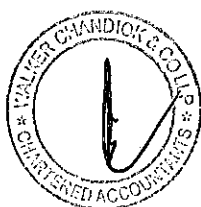
(b) Details of income tax balances

Current tax liabilities:

Opening balance	-	-
Less: Advance tax paid	(30.00)	-
Less: Taxes deducted at source	(61.24)	-
Add: Provision for tax	100.00	-
	<b>8.76</b>	<b>-</b>

Current tax assets:

Opening balance	113.31	109.55
Less: Refund order issued	-	(15.53)
Add: Advance tax paid	-	33.00
Add: Tax paid of earlier year	3.80	-
Add: Taxes deducted at source	-	66.29
Less: Provision for tax	-	(80.00)
	<b>117.11</b>	<b>113.31</b>





Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

26 Earnings per share (EPS)

Net profit attributable to equity shareholders

Net profit attributable to equity shareholders (in ₹ lacs)

Nominal value of equity share (₹)

Weighted average number of equity shares outstanding during the year

Weighted average number of potential equity shares on account of Preference Shares

Weighted average number of shares outstanding for diluted EPS

Basic earnings per share (₹)

Diluted earnings per share (₹)

	Year ended 31 March 2020	Year ended 31 March 2019
	266.63	212.90
	10.00	10.00
	56,000	56,000
	1,038,960	1,038,960
	1,094,960	1,094,960
	476.13	380.18
	24.35	19.44

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lacs, unless otherwise stated)

**27 Related party disclosures**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2020.

**(a) List of related parties**

**(i) Holding Company**

**Name of the related party**

Kiran Vyapar Limited

**(ii) Parties where control exists**

**Name of the related party**

**% of holding as on**

**31-Mar-20**

**31-Mar-19**

**Subsidiaries (\*)**

Amritpay Greenfield Private Limited

99.53%

99.53%

Divyay Greeneries Private Limited

100.00%

100.00%

Sarvay Greenhub Private Limited

99.75%

99.75%

**Associates (\*)**

LNB Renewable Energy Private Limited

29.32%

29.32%

(\*) All the subsidiary and associate Companies have been incorporated in India.

**(iii) Entities under common control**

**Name of the related party**

Magma Realty Private Limited

Satyawatche Greeneries Private Limited

Uttaray Greenpark Private Limited

Navjyoti Commodity Management Services Limited

Placid Limited

Anantay Greenview Private Limited

**(iv) Enterprises over which KMP or relatives of KMP exercise control/significant influence:**

**Name of the related party**

Amalgamated Development Limited

Akruray Greenhub Private Limited

Apurva Export Private Limited

Dakshay Greeneries Private Limited

Dakshinay Greenpark Private Limited

Dhatay Greenline Private Limited

Dishay Greenhub Private Limited

Jagatguru Greenpark Private Limited

Janardan Wind Energy Private Limited

Kapilay Greeneries Private Limited

LNB Real Estate Private Limited

Maharaja Shree Umaid Mills Limited

Manifold Agricrops Private Limited

M B Commercials Co. Limited

Navjyoti Commodity Management Services Limited

Palimarwar Solar House Private Limited

Palimarwar Solar Projects Private Limited

Parmath Wind Energy Private Limited

Placid Limited

Raghabay Greenview Private Limited

Sidhidata Solar Urja Limited

Shreeshay Greenhub Private Limited

Sukhday Greenview Private Limited

Subhprada Greeneries Private Limited

Sulabhay Greenlake Private Limited

Sundaray Greencity Private Limited

The General Investment Co. Limited

The Peria Karamalai Tea & Produce Co Limited

The Kishore Trading Co Limited (until 27 March 2018)

Virochanaye Greenfield Private Limited

Winsome Park Private Limited

Yasheshvi Greenhub Private Limited



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Related party disclosures (cont'd)

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2020

(a) List of related parties (cont'd)

(v) Key management personnel

Name of the related party	Designation
Lakshmi Niwas Bangur	Managing Director
Brij Mohan Sharma	Director
Ramesh Chandra Sharma	Director
Surya Prakash Pasari	Director
Ramavtar Holani	Director
Pradip Kumar Ojha	Company Secretary
Vikash Rathi	Chief Financial Officer

(vi) Relative of key management personnel

Name of the related party	Nature
Alka Devi Bangur	Relative of Director
Yogesh Bangur	Relative of Director
Shreyash Bangur	Relative of Director

(b) Transactions with related parties

Name of the party/Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
<b>Holding Company:</b>		
Loan taken	225.00	3.00
Loan taken repaid	225.00	2,186.00
Interest expenses on loan taken	2.19	21.58
Dividend received	7.58	7.58
Reimbursement of expenses	6.19	5.37
<b>Entities under common control:</b>		
Loan taken	340.00	405.00
Loan taken repaid	340.00	650.00
Interest expenses on loan taken	20.30	26.64
Loans given	2,575.00	801.50
Loan given recovered	1,425.00	1,176.50
Interest income on loans given	122.21	38.31
Rent paid	-	0.59
<b>Enterprises over which KMP or relatives of KMP exercise control/significant influence:</b>		
Loan taken	1,258.00	1,447.00
Loan taken repaid	860.00	1,565.00
Interest expenses on loan taken	41.77	86.61
Loans given	4,466.50	2,753.00
Loan given recovered	6,075.58	4,341.25
Interest income on loans given	435.86	554.86
Rental Income	0.79	-
Rent expenses	0.07	0.60
Dividend received	0.40	0.40
<b>Subsidiary Companies:</b>		
Investment in equity shares	225.00	5.00
Loan given recovered	-	190.00
<b>Key management personnel</b>		
Sitting fees	0.20	0.21
Remuneration	106.48	100.00



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lacs, unless otherwise stated)

**27 Related party disclosures (cont'd)**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2020.

**(c) Balances of related parties**

Name of the party/Nature of balance	As at	As at
	31 March 2020	31 March 2019
<b>Enterprises over which KMP or relatives of KMP exercise control/significant influence:</b>		
Loans given (including interest accrued)	5,419.42	5,898.53
Loan taken (including accrued interest)	850.00	452.00
Other receivables	-	0.01

*(This space has been intentionally left blank)*



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Fair value measurement

(a) Category wise classification of financial instruments

Particulars	Note	As at 31 March 2020	As at 31 March 2019
<b>A. Financial assets:</b>			
<b>Carried at amortised cost</b>			
Cash and cash equivalents	3	130.59	11.56
Loans	4	5,952.79	6,452.22
Investments in subsidiaries	5	59.44	59.44
Other financial assets	6	8.89	6.52
		<u>6,151.71</u>	<u>6,529.74</u>
<b>Carried at cost:</b>			
Investments in subsidiaries and associates	5	3,346.00	3,121.00
		<u>3,346.00</u>	<u>3,121.00</u>
<b>Carried at FVTPL</b>			
Investments in mutual funds	5	584.73	36.76
		<u>584.73</u>	<u>36.76</u>
<b>Carried at FVOCI</b>			
Investments in equity instruments	5	4,719.32	4,580.79
		<u>4,719.32</u>	<u>4,580.79</u>
		<u>14,801.76</u>	<u>14,268.29</u>
<b>B. Financial liabilities</b>			
<b>Measured at amortised cost</b>			
Borrowings	9	911.39	537.06
Other financial liabilities	10	17.26	12.89
		<u>928.65</u>	<u>549.95</u>

(b) Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Level 1 (Quoted prices in active market)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in quoted equity instruments	338.31	429.59
<b>Financial assets measured at FVTPL</b>		
Investments in mutual funds	584.73	36.76
<b>Level 3 (Significant observable inputs)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in unquoted equity instruments	4,381.01	4,151.14
Investments in preference instruments	-	0.06
	<u>5,304.05</u>	<u>4,617.55</u>

(c) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, bank deposits, loans, trade receivables, and other financial liabilities approximate their carrying amounts of these instruments.

(d) Valuation process and technique used to determine fair value for investments valued using significant unobservable inputs (level 3)

Specific valuation techniques used to value financial instruments include:

(i) Investments in unquoted equity and preference instruments of operational entities are valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate.



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

29 Financial risk management

The Company is a Non - Banking Financial Company - Non Deposit taking - Non - Systemically Important (NBFC - ND - NSI) registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financial products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies needs prior approval of its Board of Directors.

(a) Credit risk

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Financial instruments

Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments, particularly Government and PSU Bonds which has the least risk of default. The Company lends to borrowers with a good credit score and generally most of the lending is secured against assets pledged by the borrower in favour of the Company. These investments and loans are reviewed by the Board of Directors on a regular basis.

(b) Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

a. Borrowings

Particulars	As at	As at
	31 March 2020	31 March 2019
Borrowings at variable interest rate	-	-
Borrowings at fixed interest rate	911.39	537.06
<b>Total borrowings</b>	<b>911.39</b>	<b>537.06</b>
Percentage of borrowings at variable interest rate	0.00%	0.00%

(iii) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	Carrying value as at	
	31 March 2020	31 March 2019
Investments carried at FVTPL or FVOCI valued using quoted prices in active market	923.04	466.35

Particulars	Sensitivity analysis on total comprehensive income upon fluctuation of market prices	
	Increase by 10%	Decrease by 10%
Impact on total comprehensive income for year ended 31 March 2020	92.30	(92.30)
Impact on total comprehensive income for year ended 31 March 2019	46.64	(46.64)



**29 Financial risk management (cont'd)****(c) Liquidity risk:**

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Company is currently having a mix of both short-term and long-term investments. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at 31 March 2020</b>				
Borrowings (other than debt securities)	875.79	35.60	-	911.39
Other financial liabilities	17.26	-	-	17.26
	<b>893.05</b>	<b>35.60</b>	-	<b>928.65</b>
<b>As at 31 March 2019</b>				
Borrowings (other than debt securities)	469.13	67.93	-	537.06
Other financial liabilities	12.89	-	-	12.89
	<b>482.02</b>	<b>67.93</b>	-	<b>549.95</b>

**(d) Inflationary risk:**

Inflationary or purchasing power risk refers to the variation in investor returns caused by inflation. It is the risk that results in increase of the prices of goods and services which results in decrease of purchasing power of money, and likely negatively impact the value of investments. The two important sources of inflation are rising costs of production and excess demand for goods and services in relation to their supply. Inflation and interest rate risks are closely related as interest rates generally go up with inflation.

The Company closely monitors the inflation data and analyses the reasons for wide fluctuations thereof and its effect on various sectors and businesses. The main objective is to avoid inflationary risk and accordingly invest in securities and debt instruments that provides higher returns as compared to the inflation in long-term.

**30 Capital management**

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company.

Particulars	As at 31 March 2020	As at 31 March 2019
Borrowings	911.39	537.06
Less: Cash and cash equivalents	130.59	11.56
<b>Adjusted net debt</b>	<b>780.80</b>	<b>525.50</b>
Total equity (*)	13,368.06	13,148.85
<b>Net debt to equity ratio</b>	<b>0.06</b>	<b>0.04</b>

(\*) Equity includes capital and all reserves of the Company that are managed as capital.



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ crores, unless otherwise stated)

**31 Additional disclosures pursuant to the RBI guidelines and notifications:**

	As at 31 March 2020	As at 31 March 2019
<b>(i) Capital</b>		
Capital to Risk/Weighted Assets Ratio (CRAR) (%)	40.58%	42.22%
CRAR-Tier I Capital (%)	39.37%	40.79%
CRAR-Tier II Capital (%)	1.21%	1.43%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-
<b>(ii) Investments</b>		
<b>A. Value of Investments</b>		
Gross Value of Investments:		
a) In India	87.09	77.98
b) Outside India	-	-
<b>Provisions for Depreciation:</b>		
a) In India	-	-
b) Outside India	-	-
<b>Net Value of Investments</b>		
a) In India	87.09	77.98
b) Outside India	-	-
<b>B. Movement of provisions held towards depreciation on investments</b>		
Opening Balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off/Write-back of excess provisions during the year	-	-
Closing Balance	-	-
<b>(iii) Derivatives</b>		
The Company does not have any derivatives exposure in the current and previous year.		
<b>(iv) Disclosures relating to Securitisation</b>		
The Company does not have any securitisation transactions in the current and previous year.		
<b>(v) Asset Liability Management</b>		
Disclosures relating to maturity pattern of certain items of assets and liabilities are given in note 32.		
<b>(vi) Exposures</b>		
<b>A) Exposure to Real Estate Sector</b>		
<b>Category</b>		
a) Direct Exposure		
<b>i) Residential Mortgages-</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
<b>ii) Commercial Real Estate</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -</b>		
a) Residential	-	-
b) Commercial Real Estate	-	-
<b>Total exposure to Real estate sector</b>	-	-





**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ crores, unless otherwise stated)

**31 Additional disclosures pursuant to the RBI guidelines and notifications: (cont'd)**

	As at 31 March 2020	As at 31 March 2019
<b>B) Exposure to Capital Market</b>		
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	9.23	4.30
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>9.23</b>	<b>4.30</b>

**C) Details of financing of parent company products**

The Company does not have a parent company and accordingly no disclosures required.

**D) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC**

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

**E) Unsecured Advances**

The Company does not have any unsecured advances for which intangible securities such as charge over rights, license, authority, etc. has been taken.

**(vii) Miscellaneous**

**A) Registration obtained from other financial sector regulators**

The Company does not have any registrations obtained from other financial sector regulators.

**B) Disclosure of Penalties imposed by RBI and other regulators**

There have been no penalties imposed on the Company by RBI or other financial sector regulators during the current and previous year.

**C) Related Party Transactions**

Details of all material related party transactions are disclosed in note 27.

**D) Ratings assigned by credit rating agencies and migration of ratings during the year**

The Company has not obtained credit ratings from any agencies during the year.

**E) Remuneration of Directors**

Details relating to remuneration of directors are disclosed in note 27.

**F) Management**

Details relating to management discussion and analysis forms part of the annual report.

	Year ended 31 March 2020	Year ended 31 March 2019
--	-----------------------------	-----------------------------

**(viii) Additional Disclosures**

**A) Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	1.00	0.80
Other Provision and Contingencies (employee benefits)	0.01	0.01
Provision for loan losses or impairment on financial instruments	(0.02)	(0.09)

**B) Draw Down from Reserves**

There have been no instances of draw down from reserves by the Company during the current and previous year.



31 Additional disclosures pursuant to the RBI guidelines and notifications: (cont'd)

	As at 31 March 2020	As at 31 March 2019
<b>(viii) Additional Disclosures (cont'd)</b>		
<b>C) Concentration of Advances, Exposures and NPAs</b>		
<b>a) Concentration of Advances</b>		
Total Advances to twenty largest borrowers	59.71	64.65
Percentage of Advances to twenty largest borrowers to Total Advances	99.85%	99.75%
<b>b) Concentration of Exposures</b>		
Total exposure to twenty largest borrowers/customers	97.80	66.48
Percentage of exposures to twenty largest borrowers / customers to Total Exposure	99.90%	99.75%
<b>c) Concentration of NPAs</b>		
Total exposure to top four NPA accounts	0.04	0.04
<b>d) Sector-wise NPAs</b>		
	<b>Percentage of NPAs to Total Advances in that sector</b>	
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	0.04	0.04
<b>e) Movement of NPAs</b>		
i) Net NPAs to Net Advances (%)	0.06%	0.05%
ii) Movement of NPAs (Gross)		
a) Opening Balance	0.04	0.04
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	0.04	0.04
iii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	0.04	0.04
b) Provisions made during the year	-	-
c) Write-off/write-back of excess provisions	-	-
d) Closing balance	0.04	0.04
<b>f) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)</b>		
The Company did not have any overseas assets during the current and previous year.		
<b>g) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)</b>		
The Company did not sponsor any SPVs during the current and previous year.		
<b>(ix) Disclosure of customer complaints</b>		
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints redressed during the year	-	-
d) No. of complaints pending at the end of the year	-	-

Note:

(a) Amounts for the current year and comparative years included above are based on financial statements prepared under Ind AS.



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lacs, unless otherwise stated)

32 Asset liability management

Maturity pattern of assets and liability as on 31 March 2020:

Particulars	1 to 7 days	8 to 14 days	15 days to 1 month	1 - 2 months	2 - 3 months	3 - 6 months	6 - 12 months	1 - 3 years	3 - 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	2,669.42	-	-	-	50.00	-	765.00	2,450.00	-	3.50	5,937.92
Investments	584.73	-	-	-	-	-	-	148.23	4,381.00	3,595.53	8,709.49
Borrowings	850.00	-	2.06	2.08	2.09	6.37	13.18	35.61	-	-	911.39
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of assets and liability as on 31 March 2019:

Particulars	1 to 7 days	8 to 14 days	15 days to 1 month	1 - 2 months	2 - 3 months	3 - 6 months	6 - 12 months	1 - 3 years	3 - 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	688.50	-	-	-	50.00	-	4,700.00	990.00	-	3.50	6,432.00
Investments	36.76	-	-	-	-	-	-	26.66	4,151.20	3,585.37	7,977.99
Borrowings	452.00	-	1.89	1.90	1.92	5.84	12.07	53.95	7.49	-	537.06
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. The above information has been considered as per the Asset Liability Management (ALM) Report compiled by the management and reviewed by the ALM Committee.

(This space has been intentionally left blank.)



## 33 Disclosures pursuant to Reserve Bank of India notification no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of IndAS by Non-Banking Financial Companies

## Asset Classification as per RBI norms for the year ended 31 March 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (*)	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	(E=C-D)	(F)	(G=D-F)
<b>Performing Assets</b>						
Standard	Stage 1	5,976.70	23.91	5,952.79	23.91	-
	Stage 2	-	-	-	-	-
<b>Subtotal (A)</b>		<b>5,976.70</b>	<b>23.91</b>	<b>5,952.79</b>	<b>23.91</b>	<b>-</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	-	-	-	-	-
Loss	Stage 3	3.50	3.50	-	3.50	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal (B)</b>		<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>-</b>
<b>Total (A+B)</b>	Stage 1	<b>5,976.70</b>	<b>23.91</b>	<b>5,952.79</b>	<b>23.91</b>	<b>-</b>
	Stage 2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Stage 3	<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>-</b>
	<b>Total</b>	<b>5,980.20</b>	<b>27.41</b>	<b>5,952.79</b>	<b>27.41</b>	<b>-</b>

(\*) Gross carrying amount as per IndAS represents gross carrying amount including accrued interest and after netting off unamortised loan processing fees.

*(This space has been intentionally left blank.)*

#### 34 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is in a single business segment (primary segment) of giving loans and making investments. The entire revenues are billable within India and there is only one geographical segment (secondary segment).

#### 35 Impact of COVID-19 pandemic

COVID-19, a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The national lockdown announced on 23 March 2020 affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating huge volatility in the stock markets. As a result, the Company's business is likely to be impacted by lower lending opportunities and decline in carrying value of investments, thereby impacting profitability. The impact of COVID-19 on Company's financial statements remain uncertain and dependent on extent of spread of the pandemic, steps taken by the Government and central bank to mitigate the economic impact, steps taken by the Company and its Investee Companies and the time it takes for economic activities to resume at normal levels as a result of which, actual results may differ.

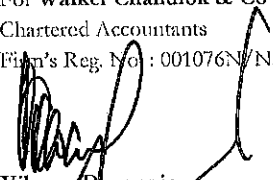
In accordance with the Reserve Bank of India guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company granted moratorium of up to 3 months on repayment of all instalments and/ or interest, as applicable, falling due between 1 March 2020 and 31 May 2020 to all the eligible borrowers as per the Company's policy, however none of the borrowers availed the moratorium. Further, the Company will be extending moratorium to its borrowers as announced by RBI vide its subsequent notification dated 22 May 2020.

The stock exchanges, banks and financial institutions were permitted to function during the national lockdown and correspondingly the lending and investment activities of the Company remained operational. Basis the relaxations granted post the lockdown period, the Company's registered office have been made operational. The employees are permitted to work in accordance with the guidelines issued by the Ministry of Home Affairs (MHA) and the respective state governments. The Company's capital and liquidity position remains strong and would continue to be the focus area for the Management. There have been no significant changes to the Company's internal financial control other than providing remote access to some of its key employees during the lockdown to facilitate work from home.

Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the Company is well capitalised with low leverage, widely diversified in terms of its lending and investment activities and has adequate liquidity to service its obligations, sustain its operations and also look at any appropriate investment/lending opportunities.

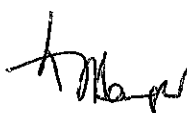
The Company has maintained adequate provisions on loan assets based on the information available at this point of time including economic forecasts. The extent to which the current pandemic will impact the carrying value of investments and loan receivables is dependent on the future developments, which are highly uncertain at this point in time. The Company believes that it has considered all the possible impact of known events arising out of COVID 19 pandemic in the preparation of these financial statements. The impact assessment of COVID -19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.


36 The financial statements are approved for issue by the Board of Directors in its meeting held on 12 June 2020.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013  
  
Vikram Dhanania  
Partner  
Membership No. 060568  
Place: Kolkata  
Date: 12 June 2020

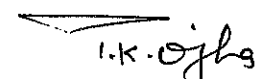


For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

  
L. N. Bangur  
Director  
(DIN: 00012617)  
Place: Kolkata

  
Brij Mohan Sharma  
Director  
(DIN: 00043332)  
Place: Didwana

  
Vikash Rathi  
Chief Financial Officer  
Place: Kolkata  
Date: 12 June 2020

  
Pradip Kumar Ojha  
Company Secretary  
Place: Kolkata

**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2020

[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.]

		(₹ in lacs)	
		Amount Outstanding	Amount Overdue
<b>LIABILITIES SIDE:</b>			
1	of interest accrued thereon but not paid:		
	(a) Debentures		
	Secured		-
	Unsecured		-
	(Other than Falling within the meaning of public deposits*)		-
	(b) Deferred Credits		-
	(c) Terms Loans	61.39	-
	(d) Inter-Corporate Loans and Borrowings	850.00	-
	(e) Commercial Paper		-
	(f) Public Deposits (*)		-
	(g) Other Loans (Short-term borrowings)		-
	(*) Please see note 1 below		-
2	Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured Debentures		-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-
	(c) Other public deposits		-
	(*) Please see note 1 below		-
<b>ASSETS SIDE</b>		<b>Amount Outstanding</b>	
3	Break-Up Loans and Advances including Bills Receivable (Other than those included (4) below) :		
	(a) Secured		-
	(b) Unsecured		5,980.20
4	Break-Up of leased Assets and Stock on Hire and Others Assets Counting towards AFC activities.		
	(i) Lease Assets including Lease Rentals under Sundry Debtors		
	(a) Financial Lease		-
	(b) Operating Lease		-
	(ii) Stock on Hire including Hire Charges under Sundry Debtors		
	(a) Assets on Hire		-
	(b) Repossessed Assets		-
	(iii) Others Loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-



**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2020

[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.]

		Amount (₹ in lacs)
5	Break-up of Investments :	
	Current Investments	
	1. Quoted :	
	(i) Shares (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	2. Unquoted :	
	(i) Shares (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (Deemed investments)	-
	Long Term Investments	
	1. Quoted :	
	(i) Shares (a) Equity	338.31
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	2. Unquoted :	
	(i) Shares (a) Equity	4,616.01
	(b) Preference	3,111.00
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	584.73
	(iv) Government Securities	-
	(v) Others (Deemed Investment)	59.44
6	Borrower group-wise classification of all assets financed as in (3) and (4) above. (Please see note 2 below)	
	<b>Category</b>	<b>Amount net of provisions</b>
		<b>Secured      Unsecured      Total</b>
1. Related Parties	(a) Subsidiaries	-      -      -
	(b) Companies in the same group	-      5,376.15      5,376.15
	(c) Other related parties	-      -      -
2. Other than related parties		-      576.64      576.64
	<b>Total</b>	<b>-      5,952.79      5,952.79</b>



**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2020

[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.]

7 Investor group-wise classification of all investments( current and long term) in shares and securities (both quoted and unquoted) (Please see note 3 below)		
Category	Market value/Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	914.51	905.44
(b) Companies in the same group	7,526.46	7,071.09
(c) Other related parties	-	-
2. Other than related parties	732.96	732.96
	<b>9,173.93</b>	<b>8,709.49</b>

8 Other Information	
Particulars	Amount (₹ in lacs)
(i) Gross Non-Performing Assets :	
(a) Related Parties	Nil
(b) Other than related parties	3.50
(ii) Net Non-Performing Assets :	
(a) Related Parties	Nil
(b) Other than related parties	-
(iii) Acquired in satisfaction Debt	-

**Notes:**

- As defined in point xxvii of paragraph 3 of Chapter - II of these directions
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However marketing value in respect of quoted investments and break up fair value/NAV in respect of unquoted investment should be disclosed irrespective of whether they are classified long term or current in (5) above.
- Details of related parties are as furnished by the management.

