



**BNK CAPITAL**

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# **BNK CAPITAL MARKETS LTD.**

**THIRTY FOURTH ANNUAL REPORT**

**2019-2020**

## Corporate Information

### BOARD OF DIRECTORS

Dr. Ajit Khandelwal, PHD hc, Chairman & Managing Director  
Mr. P. Brahmachari, Non-Executive-Independent Director, Upto (17.08.2019)  
Mr. S. Khandelwal, Non-Executive Non Independent Director  
Ms. Heena Gorsia, Non-Executive Independent Director  
Mr. Ankit Khandelwal, Non-Executive Non Independent Director  
Mr. Dipendra Nath Chunder, Non-Executive-Independent Director  
Mr. Murari Lal Khetan, Non-Executive -Independent Director (w.e.f 08.05.2019).

### CHIEF FINANCIAL OFFICER

Mr. Rabindra Nath Mishra

### STATUTORY AUDITORS

M/s. Santosh Choudhary & Associates  
Chartered Accountants  
Address: Commerce House,  
2A Ganesh Chandra Avenue,  
6<sup>th</sup> Floor, Suite No. 3, Kolkata – 700 013

### INTERNAL AUDITORS

M/s. S. Singhi & Associates  
Chartered Accountants  
Address: 47A, Ezra Street,  
Kolkata – 700 001

### REGISTERED OFFICE

Mayfair Towers, 2 Palm Avenue  
Kolkata - 700 019  
CIN: L34202WB1986PLC040542  
Email: corporate@bnkcapital.com  
Website: www.bnkcapital.com  
Ph. No. (033) 2281 0560/ 61  
Fax No. (033) 2280 0457

### REGISTRAR & SHARE TRANSFER AGENTS

C.B. Management Services (P) Ltd.  
CIN: U740140WB1994PTC062951  
Address: P-22, Bondel Road, Kolkata – 700 019  
Ph. No. (033) 2280-6692/93, 4011-6700  
Fax No. (033) 2287-0263  
Email: rta@cbmsl.com  
Website: www.cbmsl.com

### BANKERS

HDFC Bank Ltd  
The Federal Bank Ltd  
ICICI Bank Ltd

**AGM on 19th September, 2020  
Through VC/OAVM Mode  
Mayfair Tower,  
2 Palm Avenue, Kolkata-700019  
at 11:30 A.M.**

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## NOTICE

Notice is hereby given that the Thirty Fourth Annual General Meeting of the Members of BNK Capital Markets Ltd will be held on Saturday, the 19th day of September, 2020 at 11:30 A.M. at the registered office of the Company at Mayfair Tower, 2 Palm Avenue, Kolkata-700019 through Video Conferencing/ Other Audio Visual means ("VC/OAVM") facility to transact the following business:

### Ordinary Business

1. A) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of Board of Director's and the Independent Auditor's Report.  
B) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of Board of Director's and the Independent Auditor's Report.
2. To confirm Interim Dividend of Rs.2.50 per equity shares already paid for the year ended 31st March, 2020.
3. To re-appoint Shri Sanjeev Kumar Khandelwal (DIN: 00419799), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:  
"RESOLVED THAT, the appointment of M/s Santosh Choudhary & Associates, Chartered Accountants, (Registration No. 323720E) be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of 34th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company."

### Special Business

To consider and, if thought fit, to pass, with or without modification(s), the following Resolutions:-

5. As an Ordinary Resolution:

Re -Appointment of Ms. Heena Gorsia (DIN: 07060485) as an Independent Director

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Heena Gorsia (DIN: 07060485), who holds office of Independent Director up to 19th September, 2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Ms. Gorsia's candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 19th September, 2020 upto 18th September, 2025.

"RESOLVED FURTHER THAT the Board of Directors / Chief Financial Officer / Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 for Voluntary Delisting of Shares from the Stock Exchange, Central Listing Authority and subject to the provisions of The Securities Contracts (Regulation) Act, 1956, Listing Agreement, and any directions or modifications as may be issued by any regulating authority, and subject to the approval by the members by way of special resolution the consent of the Board of directors of the Company be and is hereby accorded to delist the Equity Shares of the Company from the Calcutta Stock Exchange."

"FURTHER RESOLVED THAT The Board be hereby authorized to take effective steps for voluntary delisting of shares from the said stock exchange and to accept any terms and conditions as may be imposed by the Stock Exchange, Central Listing Authority, SEBI or any regulating authorities and to settle all the questions and matters arising out of and incidental to the proposed voluntary delisting of the equity shares of the Company from the above said stock exchange and to execute Indemnity Bond/undertaking or any other writings, which they may in their absolute discretion consider necessary, proper or expedient for giving effect to the above said resolution."

### Registered Office :

Mayfair Tower, 2 Palm Avenue  
Kolkata - 700 019  
CIN: L34202WB1986PLC040542  
Email: corporate@bnkcapital.com  
Website: www.bnkcapital.com  
Ph. No. 033 - 22810560/ 61  
Dated: 30th July, 2020  
Place: Kolkata

By order of the Board  
For BNK Capital Markets Ltd.

Ajit Khandelwal  
Chairman & Managing Director  
DIN No : 00416445

### Notes :

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 ("the Act"), in respect of the Special Business under agenda Item nos. 5 & 6 set above is annexed to the Notice.
2. For shares held in physical form, Members may initiate action to get their shares dematerialized since trading of shares is done compulsorily in the dematerialized mode. Dematerialization not only provides easy liquidity, but also safeguards from any possible physical loss. As per SEBI notification No SEBI/LAD-NRO/IGN/2018/24 dated 8th June 2018, no transfer of physical shares are permitted.  
The Company has issued new share certificates dated 28th April, 2017 with reorganized distinctive numbers. Shareholders are requested to exchange their old share Certificates with the new one from M/s. CB Management Services (P) Limited, Registrar & Share Transfer Agent of the Company (RTA).
3. The Register of Members of the Company will remain closed from 13th September, 2020 to 19th September, 2020, both days inclusive.
4. All documents referred to in the Notice are put up on the Company's website www.bnkcapital.com and can be accessed upto the date of Annual General Meeting
5. Members are requested to notify any change in their address immediately to M/s. CB Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019, email id : rta@cbmsl.com the Registrars & Share Transfer Agents of the Company for shares held in physical form. Shareholders who hold their shares in dematerialized form may lodge their requests for change of address, if any, with their respective Depository Participants.
6. Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agents of the Company.
7. In all correspondence with the Company/Registrar & Share Transfer Agents, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.

8. Members are reminded to send their dividend warrants, which have not been encashed, to the Company/ Registrar & Share Transfer Agents, for revalidation. As per the provisions of Section 124(6) of the Companies Act, 2013, unclaimed dividends and corresponding equity shares are liable to be transferred to the Investor Education and Protection Fund of the Central Government after expiry of seven years from the date they become due for payment.
9. As per current SEBI Regulations, dividend is required to be credited to shareholders' respective bank accounts through Electronic Clearing Service (ECS), wherever the facility is available and the requisite details / mandates have been provided by the Members. Members are requested to send the details of their bank accounts with addresses and MICR Codes of their banks to their Depository Participants (in case of shares held in dematerialized form) or to CB Management Services (P) Limited (in case of shares held in physical form) at the earliest.
10. Members interested in nomination in respect of shares held by them in physical form may write to M/s. CB Management Services (P) Limited, in the prescribed form. Members holding shares in electronic form may approach their Depository Participant for nomination.
11. Members may note that the Notice of the 34th Annual General Meeting and the Annual Report for 2019-20 will be available on the Company's website www.bnkcapital.com. The same will also be available on the website of BSE Ltd. The notice and The Annual Report will also be forwarded to The Calcutta Stock Exchange for upload at their website www.cse-india.com.
12. Members are to inform of their current email ID to the Company/Registrar & Transfer Agent in compliance of Green Initiative as per Ministry of Corporate Affairs circular on this subject.

**1. General instruction for accessing and participating in the 34th AGM through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility.**

- i. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- ii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. VC/OAVM facilities is also being provided by CDSL.
- iii. The Members can join the AGM in the VC/OAVM mode from 11.00 a.m. to 11.45 a.m. or till the conclusion of AGM whichever is earlier on the date of AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
- iv. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- v. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- vi. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.bnkcapital.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. and shall also be forwarded to The Calcutta Stock Exchange for upload on their website CSE-India.com.
- vii. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020. Notice of the meeting along with audited statement of accounts, report of Board of Directors and Auditors, etc. is being sent electronically to those shareholders whose email id is registered with the Company/RTA/Depositories.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on 16.09.2020 at 09.00a.m and ends on 18.09.2020 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12.09.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

**For Shareholders holding shares in Demat Form and Physical Form**

- |  |  |
|--|--|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)   |
|  | <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is provided by RTA, intimated in the forwarding e-mail.</li> </ul> |
| Dividend Bank Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy) format as recorded in your demat account or in the company records in order to login.   |
|  | <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>          |
- (ix) After entering these details appropriately, click on "SUBMIT" tab.
  - (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name i.e. BNK CAPITAL MARKETS LTD on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id at [agm2020@bnkcapi.com](mailto:agm2020@bnkcapi.com) / [rta@cbmsl.com](mailto:rta@cbmsl.com)
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id at [agm2020@bnkcapi.com](mailto:agm2020@bnkcapi.com) / [rta@cbmsl.com](mailto:rta@cbmsl.com)

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request, question in advance atleast 48 hours prior to meeting, i.e. by 11.30 a.m. Thursday, 17th September, 2020 mentioning their name, demat account number/folio number, email id, mobile number at [agm2020@bnkcapi.com](mailto:agm2020@bnkcapi.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id) and responses to such queries would be appropriately addressed by the Chairman of the meeting. Due to technical reasons the length of questions may possibly be limited to a certain number of characters, however, the number of questions a shareholder or its authorized representative can submit will not be affected thereby. The management will decide, at its due discretion, whether and how it will answer the questions. Only questions in English will be taken into account. Queries remained unanswered at the AGM may be appropriately responded after the AGM through emails of FAQ's on company's website.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non - Individual Shareholders and Custodians

- o Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- o After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- o The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- o Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the CS Rina Singh, Scrutinizer and to the Company at the respective email address viz, [rscacs1450@gmail.com](mailto:rscacs1450@gmail.com) and [agm2020@bnkcapi.com](mailto:agm2020@bnkcapi.com). (designated email address by company) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatalil Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- XXI) Pursuant to the provisions of Section 108 of the Act read with rules thereof, Ms. Rina Singh, Practicing Company Secretary, (Membership No. ACS - 58750) has been appointed as the Scrutinizer the Remote e-Voting system & e-voting during the Meeting in a fair and transparent manner.
- XXII) During the 34th AGM of the Company, the Chairman shall propose to the Members participating through VC/OAVM facility to vote on the Resolutions as set out in the Notice of the 34th AGM of the Company and announce the start of the casting of vote through the e-voting system. The members participating through VC/OAVM facility, eligible and interested to cast their votes can do so before the conclusion of the 34th annual general meeting.
- XXIII) The Scrutinizer shall after the conclusion of e-Voting at the 34th Annual General Meeting, first download the votes cast at the Annual General Meeting and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.

XXIV)The Results along with the Scrutinizer's Report shall be placed on the Company's website www.bnkcapital.com by 21st September, 2020 and also the website of CDSL. The same will be communicated to the listed stock exchanges viz. Bombay Stock Exchange The Calcutta Stock Exchange Limited. The Equity Shares of the Company are listed.

**ADDITIONAL INFORMATIONS ON DIRECTORS FOR RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

NAME	Ms. Heena Gorsia	NAME	Shri Sanjeev Kumar Khandelwal
DIN	07060485	DIN	00419799
DATE OF BIRTH	21st June, 1958	DATE OF BIRTH	15th November, 1960
DATE OF APPOINTMENT	19th September, 2015	DATE OF APPOINTMENT	27th July, 1995
QUALIFICATIONS	B.COM	QUALIFICATIONS	B.Com (Hon.)
EXPERTISE	Associated with field of higher education for last 20 years & a Fashion Designer.	EXPERTISE	Business - Experience in Financial Services, Merchant Banking, Capital Markets and Commodity Markets operations & Investment Advisory Services for over 35 years.
<b>DIRECTORSHIPS DETAILS</b> (As at 31.03.2020)		<b>DIRECTORSHIPS DETAILS</b> (As at 31.03.2020)	
Name of Indian Company	Committee Memberships, if any with position	Name of Indian Company	Committee Memberships, if any with position
BNK Capital Markets Ltd	Corporate Social Responsibility (CSR) - Member Audit Committee - Member Nomination & Remuneration - Chairman Risk Management Committee - Member	BNK Capital Markets Ltd	Corporate Social Responsibility- Chairman Risk Management- Member Audit Committee - Member
Shareholding in the Company	NIL	PatrexVyapaarPvt.Ltd.	Nil
Interest of Directors	Except for Ms. Gorsia no other Director of the Company is interested in her reappointment	Abacus Funds Services Pvt Ltd	Nil
		Asian Securities Exchange Pvt Ltd	Nil
		BNK Commodities Pvt Ltd	Nil
		BNK Securities Pvt Ltd	Nil
		Multiple Infra Pvt. Ltd.	Nil
		Shareholding in the Company	15,15,113 equity shares @ Rs. 10/- each (Including Joint Holding)
		Interest of Directors	Except for Mr. Khandelwal, DR. Ajit Khandelwal and Mr. Ankit Khandelwal, being relatives, may deemed to be interested in his reappointment

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 5**

Ms. Heena Gorsia (DIN: 07060485), was appointed an independent director of the Company on 19.09.2015. Her term of office would expire on 19.09.2020. The Board feels that her continued association would be immense beneficial to the Company and it is desirable to continue to avail services of Ms. Heena Gorsia as an Independent Director. The board on the recommendation of nomination & remuneration committee has recommended the reappointment of Ms Gorsia as an independent director for the period of 5 years commencing from 19.09.2020 upto 18th September, 2025

As per the provisions of Section 149 of the Companies Act, 2013 and the Rules made thereunder, the re-appointment of an Independent Director for the 2nd term of 5 years can be done on approval of the shareholders by means of ordinary resolution. Ms. Gorsia has given his consent to act as an Independent Director of the Company and has furnished requisite declaration confirming that she meet the criteria of Independence as laid down in Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that she is not disqualified to be reappointed under Section 164 of the Act.

The Company has received notice in writing from a member of the Company under Section 160 of the Act proposing the candidature of Ms. Heena Gorsia for the office of Independent Director of the Company.

A brief profile of Ms. Heena Gorsia including nature of his expertise and shareholding in the Company are annexed to the notice.

Except Ms. Heena Gorsia, no other Director or Key Managerial Personnel of your Company and their relatives, are in any way, interested in the above resolution.

**Item No. 6**

The Equity Shares of the Company are listed at BSE Ltd and Calcutta Stock Exchange Ltd. There is no trading on the platform of Calcutta Stock Exchange since April 2013. Moreover it involves a lot of additional compliances and cost. As there is no trading on the Calcutta Stock Exchange it will have no impact on the shareholders of the Company. The equity shares of the Company shall continue to be listed on BSE Ltd. In terms of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, announced by the SEBI, the Companies have been permitted for voluntary delisting of shares, subject to the compliance of the terms and conditions as laid down in the said regulations it is now proposed to delist the equity shares of the Company from Calcutta Stock Exchange Ltd. The Board recommends passing of the said resolution. No directors of the company are interested in the said Resolution.

The board consider that the agenda item no 5 & 6 of the notice of annual general meeting as essential for the conduct of companies business.

**Registered Office :**

Mayfair Tower, 2 Palm Avenue  
Kolkata - 700 019  
CIN: L34202WB1986PLC040542  
Email: corporate@bnkcapital.com  
Website: www.bnkcapital.com  
Ph. No. 033 - 22810560/ 61  
Dated: 30th July, 2020  
Place: Kolkata

By order of the Board  
For BNK Capital Markets Ltd.

Ajit Khandelwal  
Chairman & Managing Director  
DIN No : 00416445

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present before you the 34th Annual Report of your Company on business & operations together with Audited Financial Statements and the Auditor's Report for the year ending 31st March 2020.

### OPERATION AND FUTURE PROSPECTS

The operation of the Company during the financial year ended 31st March 2020 was reasonably stable. The Company's turnover for the period ended 31st March 2020 was Rs. 1846.63 Lakhs and Profit after Tax for the same period was Rs. 877.30 Lakhs. The financial results of the company for the period ended 31st March 2020 is given herein after.

Indian Economy had registered a growth rate of 4.2% in the Financial Year March 2019-20. India become World's fifth largest economy as per the data from IMF. The nominal GDP of the country jumped above France and UK. The Country's GDP growth was highest in the World in past decade, maintaining average growth rate of 6-7%. India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage.

The COVID-19 pandemic is inflicting high and rising human costs worldwide. Protecting lives and allowing healthcare systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply, much worse than during the 2008-09 financial crisis.

There is extreme uncertainty around the global growth forecast. The economic fallout depends on factors that interact in ways that are hard to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply chain disruptions, shifts in spending patterns, behavioural changes (such as people avoiding shopping malls and public transportation), confidence effects, and volatile commodity prices. Many countries face a multi layered crisis comprising a health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices.

The COVID-19 pandemic differs markedly from past triggers of downturns. Infections reduce labour supply. Quarantines, regional lockdowns, and social distancing, curtail mobility, with particularly acute effects on sectors that rely on social interactions (such as travel, hospitality, entertainment, and tourism). Workplace closures disrupt supply chains and lower productivity. Layoffs, income declines, fear of contagion, and heightened uncertainty make people spend less, triggering further business closures and job losses. Health care expenditures necessarily rise sharply above what had been expected. These domestic disruptions spill over to trading partners through trade and global value chain linkages, adding to the overall macroeconomic effects.

Though, the Indian economy had been experiencing significant slowdown over the past few quarters, there was a strong hope of recovery in the last quarter of the current fiscal. However, the new coronavirus epidemic has made the recovery extremely difficult in the near to medium term. The outbreak has presented fresh challenges for the Indian economy now, causing severe disruptive impact on both demand and supply side elements which has the potential to derail India's growth story. Consumption is getting squeezed due to job losses and decline in income levels of people particularly the daily wage earners due to slowing activity in several sectors.

On the supply side, shutdown of factories and the resulting delay in supply of goods from China has affected many Indian manufacturing sectors which source their intermediate and final product requirements from China. Some sectors like automobiles, pharmaceuticals, electronics, chemical products etc. are feeling an imminent raw material and component shortage. This is hampering business sentiment and affecting investment and production schedules of companies. Besides having a negative impact on imports of important raw materials, the slowdown in manufacturing activity in China and other markets of Asia, Europe and the US is impacting India's exports to these countries as well. However the World including India is looking at alternate to China which may be a positive factor for India. Given the challenges that the businesses and people are facing currently, the Indian economy is most likely to experience a negative growth during the current fiscal. Most multilateral agencies and credit rating agencies have therefore revised their 2020 and 2021 growth projections for India keeping in view the negative impact of coronavirus-induced travel restrictions, supply chain disruptions, subdued consumption and investment levels on the growth of both global and the Indian economy.

### Financial Results

The financial performance (Standalone and Consolidated) of the Company, for the year ended 31st March 2020 is summarized below:

PARTICULARS	STANDALONE		CONSOLIDATED	
	Year Ended 31/03/2020 (₹ In Lacs)	Year Ended 31/03/2019 (₹ In Lacs)	Year Ended 31/03/2020 (₹ In Lacs)	Year Ended 31/03/2019 (₹ In Lacs)
Sales/Operating Revenue	1,846.63	1,695.26	1856.41	1702.81
Other Income	16.73	3.00	16.73	3.01
Total Income	1,863.36	1,698.26	1873.14	1705.82
Profit/(Loss) before Taxation and Exceptional Item	926.91	1,266.68	932.49	1268.78

Tax Expenses	49.61	3.78	50.00	3.50
Share of Equity Accounted Investee	-	-	(231.66)	(23.33)
Net Profit/ (Loss)	877.30	1,262.90	650.83	1241.95
Other Comprehensive income	(22,074.68)	(3,059.97)	(22423.46)	(3174.33)
Total Comprehensive Income/Loss	(21,197.38)	(1,797.07)	(21772.63)	(1932.38)
Profit after tax non controlling interest	-	-	2.25	-0.03
Earnings per equity share Basic	8.77	12.63	6.51	12.42
Diluted	8.77	12.63	6.51	12.42

### DIVIDEND

The Board of Directors has declared an interim dividend of Rs. 2.50 per equity shares in its meeting held on 05th March, 2020. The said dividend has been paid/ credited to the bank account of the share holders as on the record date i.e. 14th March 2020. Your directors do not recommend any final dividend for the year ended 31st March, 2020. The interim dividend of Rs. 2.50 per equity shares is considered as the total dividend for the financial year.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The amount to be transferred to Investor Education and Protection Fund (IEPF) before the cut off date is Rs. 156,902.50/- (F.Y. 2012-13) which shall be deposited by 30th of September, 2020.

### NUMBER OF BOARD MEETINGS HELD

The Board of Directors met 7 (Seven) times i.e., 01.04.2019, 08.05.2019, 25.05.2019, 14.08.2019, 14.11.2019, 31.01.2020 & 05.03.2020 during this financial year.

### SUBSIDIARY COMPANY & INVESTMENTS

BNK Commodities Private Limited, a subsidiary of your company is a member of Multi Commodity Exchange of India Ltd (MCX). Your Company along with its subsidiaries and its Associate Companies is offering complete financial solutions including trading in securities, commodities and their derivatives, currency derivatives, Depository services & Category I Merchant Bankers. The Form AOC-1 is enclosed as a part of this report in Annexure A.

### FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year.

### DIRECTORS

Ms. Heena Gorsia (DIN: 07060485), was appointed an independent director of the Company on 19.09.2015. Her term of office would expire on 19.09.2020. The board on the recommendation of nomination & remuneration committee has recommended the reappointment of Ms. Gorsia as an independent director for the period of 5 years commencing from 19.09.2020 upto 18th September, 2025 and who shall not be liable to retire by rotation. Necessary resolution along with explanatory statement is proposed in the notice for the annual general meeting.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Shri Sanjeev Kumar Khandelwal (DIN: 00419799), Director of the Company retire by rotation at the conclusion of the forthcoming Annual General Meeting, and being eligible offer himself for reappointment.

All Independent Directors have provided declarations that they meet the criteria of independence as laid down u/s 149(6) of the Companies Act, 2013 & Regulation 16(1) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### AUDITORS

#### i) Statutory Auditors

M/s. Santosh Choudhary & Associates, Chartered Accountants, (Registration No. 323720E), were appointed Statutory Auditors of the Company at its 31st Annual General Meeting held on 26th August 2017 for a period of 5 Consecutive Annual General Meeting subject to ratification of shareholders every year. It is proposed to ratify their appointment as Statutory Auditors of the Company, to hold office from the conclusion of 34th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company. Necessary resolution in this connection is proposed in the notice for the forthcoming annual general meeting for consideration of shareholders.

#### ii) Secretarial Auditor

According to the provisions of Section 204 of the Companies Act, 2013 read with Section 179(3)(k) read with Rule 8(4) of the Companies (Meeting of Board and its Powers) Rules, 2014, the Secretarial Audit Report submitted by the Company Secretary in Practice is enclosed as a part of this report in Annexure B.

### CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India codified as per the applicable regulations read with Schedule V of Securities and Exchange Board of India (Listing Obligation And Disclosure

Requirements) Regulation, 2015 with Stock Exchanges. Corporate Governance and Management Discussion and Analysis Report as well as Corporate Governance compliance certificate by Auditor are set out in separate Annexure to this report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 your Directors confirm:

- i) That in the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- ii) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they have prepared the Annual Accounts on a 'Going Concern' basis.
- v) That they have laid down internal financial controls in the Company that are adequate and were operating effectively.
- vi) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**INTERNAL FINANCIAL CONTROL**

The Board of Directors (Board) has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

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

The Company being in the service sector, conservation of energy and technology absorption as specified under section 134(3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 has no significance for the Company.

There is no earning & expenses in foreign exchange during the period. None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**AUDIT COMMITTEE**

The Audit Committee of the Board has been constituted in terms of Listing Regulations and Section 177 of the Companies Act, 2013. The constitution and other details of the Audit Committee are given in the Corporate Governance Report.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee approved the expenses towards CSR activities which was spent for the company during the year 2019-20 as per Annexure - C.

**BOARD EVALUATION**

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has carried out the annual evaluation of its own performance, and of each of the Directors individually, including the independent directors, as well as the working of its committees.

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

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of such complaints. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

**LOANS, GUARANTEES AND INVESTMENTS**

The Company is a Non-Banking Financial Company and Section 186 of the Companies Act, 2013 is not applicable to it.

**SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS TRIBUNAL IMPACTING THE COMPANY'S GOING CONCERN STATUS & OPERATIONS IN FUTURE**

During the period under review, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

**POLICIES**

The Company has formulated various policies as required under the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulation, 2015 & Listing Agreement and are uploaded on our Company's website as mentioned below:

NAME OF THE POLICY	BRIEF DESCRIPTION	LINK
Whistle Blower / Vigil Mechanism Policy	The Company has adopted the policy as required under Section 177(9) & (10) of the Companies Act, 2013 & as per Clause 49 of the Listing Agreement.	http://www.bnkcapital.com/Aboutus/bnkcapitalmarketpolicies.aspx?id=13
Nomination & Remuneration Policy	The Company has adopted the policy as required under Section 178(3) of the Companies Act, 2013 & SEBI Listing Regulations.	
Risk Management Policy	The Company has adopted the policy as per Clause 49 of the Listing Agreement.	
Related Party Transactions Policy	The Company has adopted the policy as required under Section 188(1) of the Companies Act, 2013 & SEBI (LODR) Regulation, 2015 read with Clause 49 of the Listing Agreement.	
Policy on Determining Material Subsidiaries	The Company has adopted the policy as required under Companies Act, 2013 & SEBI (LODR) Regulation, 2015.	
Familiarization Programme for Independent Directors	The Company has adopted the policy pursuant to Part III of Schedule IV of the Companies Act, 2013 & Clause 49 (II) (B) (7) of the Listing Agreement.	
Policy on Corporate Social Responsibility	The Company has adopted the policy as required under Companies Act, 2013.	

**RELATED PARTY TRANSACTIONS**

The Board of Directors of the Company has adopted a policy to regulate transactions between the Company and its related parties in compliance with the applicable provisions of Companies Act, 2013, SEBI (LODR) Regulation, 2015 read with Clause 49 of the Listing Agreement. The disclosure of related party transactions is made as per AS-18 in the Notes to Financial Statements. However in terms of Section 188(1) of the Companies Act, 2013 read with rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board feels that the transactions made are not material in nature as such no AOC-2 is annexed to this report.

**PARTICULARS OF EMPLOYEES**

There are no employees getting salary in excess of the limit as specified under the provisions of Section 134 of companies' act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review.

**COMPLIANCE OF THE PROVISIONS OF SECRETARIAL STANDARD**

Your Company Complies with the provisions of Secretarial Standards.

**LISTING OF EQUITY SHARES**

The Equity Shares of the Company is listed at BSE Limited and The Calcutta Stock Exchange Limited. It is proposed to delist the equity shares of the company from The Calcutta Stock Exchange Ltd. Necessary resolution along with explanatory statement u/s 102 of the Companies Act, 2013 is set out in the notice to the AGM.

**EXTRACT OF ANNUAL RETURN**

Pursuant to sub section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at March 31, 2020 forms part of this report as Annexure D. The Annual Return referred to in section in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is provided on the website www.bnkcapital.com under the link [http://www.bnkcapital.com/NewsFiles/637329310298971454\\_MGT-9.pdf](http://www.bnkcapital.com/NewsFiles/637329310298971454_MGT-9.pdf)

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their grateful appreciation for the co-operation and guidance received from the Regulators, Central & State Govts., Bankers as well as the Shareholders during the year. Your Directors also wish to place on record their appreciation for the devoted and dedicated service rendered by all the employees of the Company.

For and on behalf of the Board  
BNK Capital Markets Ltd.

Place : Kolkata  
Dated : 30th July, 2020

**Ajit Khandelwal**  
Chairman & Managing Director  
(DIN: 00416445)



"Annexure - A"

Annexure-B

**Form AOC-1**

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

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

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs. lacs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	BNK Commodities Pvt Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital (Paid-up)	284 lacs
5.	Reserves & surplus	(86.22) lacs
6.	Total assets	206.97 lacs
7.	Total Liabilities	206.97 lacs
8.	Investments	95.16 lacs
9.	Turnover	9.77 lacs
10.	Profit before taxation	5.58 lacs
11.	Provision for taxation	0.19 lacs
12.	Profit after taxation	5.38 lacs
13.	Proposed Dividend	-
14.	% of shareholding	56.69%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

**Part "B": Associates and Joint Ventures**

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

Name of associates/Joint Ventures	BNK Securities Pvt Ltd
1. Latest audited Balance Sheet Date	30th June, 2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
No. of Shares	2544
Amount of Investment in Associates/Joint Venture	439.69 LACS
Extend of Holding %	36.35
3. Description of how there is significant influence	BNK Capital Markets Ltd holds 36.35% in BNK Securities Pvt Ltd.
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet	156.60 lacs
6. Profit/Loss for the year	
i. Considered in Consolidation	-231.66
ii. Not Considered in Consolidation	-

- Names of associates or joint ventures which are yet to commence operations. NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**BNK Capital Markets Ltd.**

**Ajit Khandelwal** (DIN: 00416445)

Chairman & Managing Director

**Murari Lal Khetan** (DIN No. : 00009187)

Director & Chairman of Audit Committee

**Rabindra Nath Mishra**

Chief Financial Officer

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED - 31.03.2020

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

To,

The Members,

**BNK Capital Markets Limited**

CIN: L34202WB1986PLC040542

Regd Office- Mayfair Towers, 2 Palm Avenue Kolkata- 700019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BNK CAPITAL MARKETS LTD (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (A statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance and also the information provided by the Company, its officers; agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the company has, during the audit period covering the financial year ended on 31.03.2019 generally complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by BNK CAPITAL MARKETS LTD for the financial year ended on 31.03.2020 according to the applicable provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act; 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the company;
- The following Regulations and Guidelines prescribed under the

Securities and Exchange Board of India Act, 1992 ("SEBI Act) to the extent applicable to the company:-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; No Issue of any security during the year
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; No such instances reported during the year
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; No instances were reported during the year.
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - The Company has duly appointed a SEBI authorized Category I Registrar and Share Transfer Agent as required under Law.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. No Delisting was done during the year
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. No buy - back was done during the year.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India:
- ii. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following observations:

1. Section 135 of the Companies Act, 2013 relating to CSR is applicable to the Company.
2. Cost Audit is not applicable to the Company as it is not a manufacturing concern.

We further report that as far as we have been able to ascertain -

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting member's views, if any, are captured and recorded as part of the minutes.
4. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

It is stated that the Compliance of all the applicable Provisions of the Companies and other laws is the responsibility of the Management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the Company for compliances under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the Compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India

(Jyoti Mahatma)

Company Secretary

Membership No. ACS No:31621

C P No. : 22434

Place: Kolkata

Date: 29.06.2020

UDIN A031621B000398372

Encl: Annexure 'A' forming an integral part of this Report

**"Annexure A"**

To,

The Members

BNK CAPITAL MARKETS LTD

CIN: L34202WB1986PLC040542

Regd Office- Mayfair Towers, 2 Palm Avenue Kolkata- 700019

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

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

(Jyoti Mahatma)

Company Secretary

Membership No. ACS No:31621

C P No. : 22434

Place: Kolkata

Date: 29.06.2020

**CSR ACTIVITIES REPORT:**

Sr. No.	Particulars	Remarks
1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be under taken and a reference to the web- link to the CSR policy and project or programs. <a href="http://www.bnkcapital.com/aboutus/bnkcapitalmarketpolicies.aspx?id=13">www.bnkcapital.com/aboutus/bnkcapitalmarketpolicies.aspx?id=13</a>	To Contribute / Sponsor any scheme or project in general good of Society and Committee including Education & Health.
2	The Composition of the CSR Committee.	Shri Sanjeev Kumar Khandelwal Shri Dipendra Nath Chunder Ms.Heena Gorsia
3	Average net profit of the Company for last three financial years.	Rs. 48405074/-
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	Rs. 968101/-
5	Details of CSR spent during the financial year: a) Total amount to be spent forthe financial year b) Amount unspent, ifany; c) Manner in which the amount spent during the financial year is detailed below	Rs. 500000/- Rs.468101/-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other  (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub - heads: (1) Direct expenditure on projects or programs  (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent Direct or through implementing agency
1	Medical And Health Care	Medical And Health Care Cause	West Bengal	5,00,000/-	5,00,000/-	-	West Bengal State Emergency Fund
	TOTAL			5,00,000/-	5,00,000/-		

6. Responsibility statement of the CSR Committee	<ol style="list-style-type: none"> <li>An amount of Rs. 468101/- remained unspent as CSR activity could not be completed as there was nationwide lockdown because of Covid19.</li> <li>The implementation &amp; monitoring of CSR Project is in the compliance with the CSR objectives &amp; policy of the Company.</li> </ol>
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RabindraNath Mishra  
Cheif Financial Officer

Sanjeev Kumar Khandelwal  
Director,  
Chairman CSR Committee  
DIN No. 00419799

Date : 30th June, 2020

## REPORT ON CORPORATE GOVERNANCE

The Company has put in place the SEBI guidelines pertaining to Corporate Governance effective from financial year 2002-2003. The report on Corporate Governance for the financial year ended on 31st March, 2020 as per the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is as under:

### Corporate Governance - Philosophy

The basic objective of the Corporate Governance policies adopted by your Company is to focus on good Corporate Governance -which is the pivotal driver of sustainable corporate growth and long term value creation for the shareholders, other stakeholders and society at large.

### 1. Board of Directors :

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Director who have an in-depth knowledge and experience of business, finance, law and corporate management, in addition to the expertise in their areas of specialization. The Board of the Company comprises of Six Directors that include one Woman Director as on 31st March, 2020. The composition of the board during the year is tabulated below:

Director	Executive/Non-Executive/ Independent	Other Directorships held
Dr. A. Khandelwal Din: 00416445	Chairman & Managing Director	09
Mr. S. K. Khandelwal DIN: 00419799	Non-Executive	06
Mr. Murari Lal Khetan DIN:00009187	Non-Executive & Independent	Nil
Ms. Heena Gorsia DIN: 07060485	Non-Executive & Independent	Nil
Mr. Ankit Khandelwal DIN: 03057891	Non-Executive	02
Mr. Dipendra Nath Chunder DIN:07945181	Non-Executive & Independent	Nil

### 2. Audit Committee

The Company has an Audit Committee at the Board level functioning since May 30, 2002. The Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control system. It also oversees financial disclosures compliance with all relevant statutes, safeguarding of assets and adequacy of provisions for all liabilities and generally accepted accounting principles by the Company. The Committee is in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time. The Audit Committee also takes care of Whistle Blower Mechanism.

The Terms of reference of the Audit Committee broadly are:

- ⑦ Review and approval of Related Party Transactions.
- ⑦ Review of Financial Reporting systems.
- ⑦ Reviewing the Quarterly, Half Yearly and Annual Financial Results.
- ⑦ Reviewing Taxation & related matters.
- ⑦ Discussing the annual financial statements and auditors report before submission to the Board.
- ⑦ Interaction with Statutory Auditors.
- ⑦ Recommendation for appointment and remuneration of Auditors.
- ⑦ Any other matter which may be required and assigned by the Board from time to time.

The Audit Committee is comprised of four members, all members including the Chairman of the Committee are non-executive. The Statutory Auditor and Managing Director of the Company are permanent invitees to all Audit Committee meetings. Company Secretary & Compliance Officer is the Convener to the Audit Committee.

The Composition of the Audit Committee and the details of meeting held by it are as follows:

Director	Position	Meeting held	Meeting Attended
Mr. P. Brahmachari (upto 17.08.2019)	Chairman (Independent)	05	01
Ms. Heena Gorsia	Member (Independent)	05	02
Mr. S.K. Khandelwal	Member	05	04
Mr. Dipendra Nath Chunder	Member (Independent)	05	05
Shri Murari Lal Khetan	Chairman (Independent)	05	05

### 3.Nomination and Remuneration Committee

The Company has an Remuneration Committee at the Board level functioning since May 30, 2002. The Committee is in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time. The Nomination & Remuneration Committee is comprised of three members, all members including the Chairman of the Committee are non-executive. Company Secretary is the convener to the Nomination & Remuneration Committee.

The terms of reference of the Nomination & Remuneration Committee inter-alia include the following:

- ⑦ It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out the evaluation of every director's performance.
- ⑦ It shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board remuneration policy for the directors, KMP and other employees.
- ⑦ Devising a policy on board diversity.
- ⑦ Any other matter which may be required and assigned by the Board from time to time.

The composition of the Nomination & Remuneration Committee and the details of meeting held by it are as follows:

Director	Position	Meeting held	Meeting Attended
Mr. P. Brahmachari (upto 17.08.2019)	Chairman (Independent)	02	00
Ms. Heena Gorsia	Member (Independent)	02	02
Mr. Ankit Khandelwal	Member	02	02
Shri Murari Lal Khetan	Member (Independent)	02	01

### 4. Stakeholders' Relationship Committee

The Company has Stakeholder's Relationship Committee under the Chairmanship of a Non- Executive and Independent Director to specifically look into shareholder issue including share transfer, transmission, issue of duplicate certificates and redressing of shareholder complaints like non receipt of Balance Sheet, declared dividend etc. The Committee is in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time. Ms. Khusboo Kumari Company Secretary is the convener to the Stakeholders' Relationship Committee.

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

- ❑ Review the process and mechanism for redressal of investor grievance and to suggest measures for improving the same.
- ❑ Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest.
- ❑ Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- ❑ Oversee the implementation and compliance of the Code of Conduct adopted by the Company for Prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.
- ❑ Any other matter which may be required and assigned by the Board from time to time.

Company Secretary & Compliance Officer is the Convener of the Committee of the Company. There was no complaint during the year.

The composition of the Stakeholder's Relationship Committee and the details of meeting held by it are as follows:

Director	Position	Meeting held	Meeting Attended
Ms. Heena Gorsia	Chairman (Independent)	01	00
Dr. A. Khandelwal	Member	01	01
Mr. Dipendra Nath Chunder	Member (Independent)	01	01

M/S. C. B. Management Services (P) Ltd., the Company's Registrar and Share Transfer Agent among others, expedites the process of transfer of shares under supervision of Company Secretary and Compliance Officer. Thereafter, the proposals are placed before the Stakeholder's Relationship Committee for approval. To expedite the process of transfer sometimes the members of the committee approve cases of routine nature of transfers

of shares by circulation, which are subsequently ratified.

Details of complaints received, number of shares transferred as well as average time taken for transfers are highlighted in the "Shareholder Information" section of the Annual Report separately.

## 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company formed a Corporate Social Responsibility Committee in their Board meeting held on 5th March, 2020 under the Chairmanship of a Non- Executive Director. The Committee is in compliance with the provisions of Companies Act, 2013 as amended from time to time. Company Secretary & Compliance Officer is the Convener to the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee inter-alia include the following:

- ⑦ To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- ⑦ To provide guidance on various CSR activities to be undertaken by the Company and to monitor process;
- ⑦ Any other matter which may be required and assigned by the Board from time to time.

The composition of the Corporate Social Responsibility Committee and the details of meeting held by it are as follows:

Director	Position	Meeting held	Meeting Attended
Mr. S. K. Khandelwal	Chairman (Non-Executive)	01	00
Mr. Dipendra Nath Chunder	Member (Independent)	01	01
Ms. Heena Gorsia	Member (Independent)	01	01

## 6. Remuneration to Directors

Director	Designation	Remuneration paid during 2019-20 (All figures in ₹)		
		Sitting fees for Board & Comm. Meetings	Salary & Perks	Total
Dr. A. Khandelwal	Chairman & Managing Director	-	2815000	2815000
Mr. D.N.Chunder	Director	65000	-	65000
Mr. P. Brahmachari	Director	15000	-	15000
Mr. S. K. Khandelwal	Director	50000	-	50000
Ms. Heena Gorsia	Director	40000	-	40000
Mr. Ankit Khandelwal	Director	40000	-	40000
Mr Murari Lal Khetan	Director	50,000	-	50,000

## 7. NUMBER OF BOARD MEETINGS AND BOARD PROCEDURES

Your Company's Board met 7 (seven) times during the year and details of the meeting are highlighted below. Agenda papers along with explanatory statements were circulated to the Directors well in advance of the meeting. The senior management of your Company was invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board.

Sl.No.	Date of Board Meeting	Place
1	01st April, 2019	Kolkata
2	8th May, 2019	Kolkata
3	25th May, 2019	Kolkata
4	14th August, 2019	Kolkata
5.	14th November, 2019	Kolkata
6.	31st January, 2020	Kolkata
7.	5th March, 2020	Kolkata

  

Directors	No. of Board Meetings		Attended Last AGM Held on 17.08.2019
	Held	Attended	
Dr. A. Khandelwal	07	07	Yes
Mr. S. Khandelwal	07	06	Yes
Mr. Dipendra Nath Chunder	07	07	Yes
Mr. P. Brahmachari (Upto 17.08.2019)	04	02	Yes
Ms. Heena Gorsia	07	05	Yes
Mr. Ankit Khandelwal	07	06	Yes
Mr.Murari Lal Khetan	05	05	Yes

## 8. Independent Directors

The Company has complied with the definition of Independence as per section 149 read with the provisions of Schedule IV of the Companies Act, 2013 and applicable regulations of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. They also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

Whenever new Non-Executive and Independent Directors are included in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy. The Company has adopted a Familiarization Programme for Independent Directors which is uploaded on the Company's website.

The Independent Directors held a Meeting on 31st January, 2020 wherein they discussed the following in details:

- ⑦ Performance of the Non-Independent Directors and Board as a whole.
- ⑦ Flow of information between Company Management and Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board also evaluated the performance of the Independent Directors, Non-Executive Directors including the performance of the Chairman & Managing Director as required by the Companies Act, 2013.

## 9. Internal Control & Risk Management

The Company has an effective system of internal control and corporate risk management and mitigation, commensurate with the size of the Company and ensures operational efficiency, accuracy in financial reporting and compliance of applicable laws and regulations. The system is also reviewed from time to time.

## 10. Management Discussions and Analysis Report

As a part of the disclosure related to Management, in addition to the Director's Report, Management Discussion and Analysis Report forms part of the Annual Report to the shareholders as per specification of SEBI.

## 11. Director's Membership/Chairmanship in Committees

No Director is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. The details are as under:

Director	No. of Committees in which	
	Member	Chairman
Dr. A. Khandelwal	08	05
Mr. S. Khandelwal	02	01
Mr. P. Brahmachari (Upto 17th August, 2019)	00	02
Ms. Heena Gorsia	03	01
Mr. Ankit Khandelwal	02	01
Mr. Dipendra Nath Chunder	02	01
Mr Murari Lal Khetan	02	01

(The above includes committee positions in BNK Capital Markets Limited)

## 12. Disclosure Regarding Director's Appointment and Re-Appointment

A brief resume, expertise in specific functional areas, directorships / membership of committees held in other companies in respect of Directors retiring by rotation / being appointed at the ensuing Annual General Meeting is as under:

Name of Director	<b>Shri Sanjeev Kumar Khandelwal</b>
DIN	00419799
Date of Birth	15th November, 1960
Date of appointment	27th July, 1995
Experience in specific functional areas	Business - Experience in Financial Services, Merchant Banking, Capital Markets and Commodity Markets operations & Investment Advisory Services for over 35 years.
List of other Directorships held Excluding Alternate Directorship of Private Companies	Nil

**13 Material Contracts / Transactions Concerning Director's Interest**

The Company had not entered into any arrangement with any body other than with BNK Securities Private Limited and BNK Commodities Pvt. Ltd. for dealing in shares, securities, Currency their derivatives and commodities where the Promoter Directors are interested. Rents for office space are paid to Brijnath Khandelwal & Co where promoters are partners. The disclosure / approval to this effect was made at the relevant meeting of the Audit Committee / Board of Directors. There was no arrangement of material nature that may have a potential conflict with interest of your Company.

**14. Codes for Prevention of Insider Trading**

In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 the Board of Director of the Company have formulated and adopted a Code of Practices And Procedure For Fair Disclosures Of Unpublished Price Sensitive Information & Code of Conduct To Regulate, Monitor And Report Trading By Insiders for its employees and other connected persons towards the compliance of the Regulations.

**15. Other Disclosures**

**(i) Details Of Annual General Meeting**

Year	Location	Date	Time
2018-2019	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 36A, Shakespeare Sarani, Kolkata - 700017	17th Aug., 2019	11:00 A.M.
2017-2018	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 36A, Shakespeare Sarani, Kolkata - 700017	1st Sep. 2018	11:00 A.M.
2016-2017	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 36A, Shakespeare Sarani, Kolkata - 700017	26th Aug. 2017	10:30 A.M.

- B. Whether special resolution were put through postal ballot last year? No
- C. Are votes proposed to be conducted through poll this year? Yes

as per SEBI Guidelines & Companies Act, 2013, e-voting facility shall be provided to all share holders along with arrangements for poll at the AGM for those present who have not voted through e-voting.

**(ii) Means of Communication**

Half year report / highlights sent to Household of each shareholders	No
Quarterly results, published in	Published in specified newspapers Financial Express (English) Kalantar/Duranto Barta (Bengali) www.bnkcapital.com
Corporate website	www.bnkcapital.com
Any Official new release published in newspapers	No
Whether MD&A Report is a part of Annual Report	Yes
Whether shareholder information section forms part of Annual Report	Yes

**(iii) Shareholders Information**

- 1. Annual General Meeting**  
\* Date and Time : 19th September, 2020 at 11.30 A.M.  
\* Venue : Mayfair Tower, 2 Palm Avenue, Kolkata: 700 019 (Through VC/OAVM)

**2. Financial Calender**

**For the Financial Year ended 31st March 2020.**

Financial Results for Quarter ended June 30, 2019.	14th August, 2019
Financial Results for Quarter ended September 30, 2019.	14th November, 2019
Financial Results for Quarter ended December 31, 2019.	31st January, 2020
Audited Financial Results for Year ended March 31, 2020.	30th June, 2020

- 3. Date of Book Closure** 13th September, 2020 to 19th September 2020 (Both days inclusive)

**4. Dividend Payment Date**

Interim Dividend @ Rs. 2.50/- per Equity Share of Rs. 10 each was declared and paid/credited to the bank accounts of the shareholders as on the record date i.e. 14th March, 2020

**5. Registered Office**

Mayfair Tower, 2 Palm Avenue, Kolkata: 700 019  
Tel: (033) 22810560/61, Fax: (033) 22800457  
E-mail Id: corporate@bnkcapital.com

**6. Listing Details (Equity Share)**

**BSE Ltd., Mumbai**  
(Script Code : 500069 & ISIN : INE418C01012)  
Phiroze Jeejeebhoy Tower, Dalal St., Mumbai 400023  
**The Calcutta Stock Exchange Ltd.**  
(Script Code : 10012048)  
7, Lyons Range, Kolkata-700 001.

The Company has paid the Listing Fees for the year 2020-21 to BSE Limited. The payment of fee to The Calcutta Stock Exchange Ltd. has not been made as the exchange is closed for trading for the period under consideration. Moreover no Tax invoice for the same has been received from the Exchange.

**7. Registrar & Transfer Agent**

C B Management Services (P) Ltd,  
P-22, Bondel Road, Kolkata: 700019  
Tel No.: (033) 4011-6700, 2280-6692/93,  
Fax No.: (033) 2287-0263, E-mail: rta@cbmsl.com

**8. Share Transfer System**

Stakeholders' Relationship Committee has been constituted to approve the transfer and transmission of shares, issue of duplicate share certificates and allied matters. To ensure transfer of shares in physical form within 15 days of receipt, a sub-committee has been constituted comprising of 3 Directors, Independent Director as its Chairman. In case of routine matters a process of circular resolutions to be adopted. Share Certificates in physical form are dispatched within prescribed time after complying with the requirement of SEBI guidelines on transfer cum dematerialization of shares. However SEBI vide notification No SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 has restricted the transfer of physical shares w.e.f 180 days from the date of publication of the said notification in the official gazette.

**9. Investor Services**

Complaints received during the year	2019-2020		2018-2019	
	Received	Cleared	Received	Cleared
Nature of Complaints Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of Address, Demat - Remat and Others				
Received from SEBI, Stock Exchanges and Other Statutory Authorities	Nil	Nil	2	2
<b>Total</b>	Nil	Nil	2	2

The Company endeavors to settle all shareholder complaints in the minimum Possible time.

**10. Distribution of Shareholding as on 31st March 2020.**

(See table No. 1)

**11. Categories of Shareholding as on 31st March 2020.**

Category	2019-2020		2018-2019	
	No. of share held	% of share holding	No. of share held	% of share holding
01. Promoter Company	2103256	21.03	2048156	20.48
02. Director & Promoter	3865601	38.66	3865601	38.66
03. Directors Relative	-	-	55100	0.55
04. Mutual Fund	-	-	-	-
05. F.I.I.	-	-	-	-
06. Financial Institution	-	-	-	-
07. N.R.I	32753	0.33	61402	0.61
08. Other Bodies Corp.	2382426	23.82	2409530	24.10
09. Bank	-	-	-	-
10. Resident Individual	1520682	15.21	1471081	14.71
11. Clearing Members	1154	0.01	350	0.00
12. IEPF	94128	0.94	88780	0.89
<b>TOTAL</b>	<b>10000000</b>	<b>100.00</b>	<b>10000000</b>	<b>100.00</b>

## 12. Dematerialization of shares & liquidity

Over 98.09% of equity shares have been dematerialized as on 31.03.2020. Trading in equity shares of your Company on BSE Limited (Security Code: 500069) and The Calcutta Stock Exchange Limited (Script Code: 10012048) is permitted only in dematerialized mode w.e.f. November 25, 2000 as per notification issued by SEBI.

To facilitate the investors in having easy access to demat system, the Company has signed agreements with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

## 13. Details on use of public fund obtained in the last three years : N.A

## 14. Fresh Issue of Capital

During the year under review, your Company has not raised any fresh capital.

## 17. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund (IEPF)

The due date on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF, are stated in the table below. Investors are requested to claim their dividends before these dates.

Financial Year	Date of Declaration	30 days expire from the date of declaration	Transfer to unpaid dividend *unpaid/unclaimed dividend account	7 Years expire from the date of transfer to unpaid /unclaimed dividend account	Amount lying unpaid / unclaimed as on 31st March 2020 ₹
2012-13	31.08.2013	30.09.2013	01.10.2013	30.09.2020	Rs. 156,902.50
2013-14	No Dividend	N.A.	N.A.	N.A.	N.A.
2014-15	19.09.2015	19.10.2015	20.10.2015	19.10.2022	Rs. 329,116.50
2015-16	20.08.2016	19.09.2016	20.09.2016	19.09.2023	Rs. 635,922.00
2016-17	26.08.2017	25.09.2017	26.09.2019	25.09.2024	Rs. 941,553.00
2017-18	01.09.2018	30.09.2018	01.10.2018	30.09.2025	Rs. 838,336.50
2018-19	17.08.2019	15.09.2019	16.09.2019	15.09.2026	Rs. 183,018.00

In terms of the shares issued by the Company in physical form, the certificates of which are lying unclaimed, the Company intends to issue reminders to their holders. These Shares will be transferred into one folio in the name of "Unclaimed Suspense Account" in due course.

## 18. Market Price (High & Low) at BSE (Security Code: 500069) during each month of the financial year 2019-20

Month	High (₹)	Low (₹)
April 2019	94.25	83.30
May 2019	92.20	80.25
June 2019	91.30	85.25
July 2019	91.95	76.00
August 2019	84.35	63.75
September 2019	81.60	71.00
October 2019	74.45	65.90
November 2019	81.40	72.25
December 2019	73.70	67.25
January 2020	75.00	67.05
February 2020	73.60	60.65
March 2020	64.90	40.00

**Table 1**

Share held in ₹	No. of Share holders	2019-2020			2018-2019			
		% of Share holders	Share amount ₹	% of Total Share	No. of Share holders	% of Share holders	Share Amount ₹	% of Total Share
1 - 5000	1716	83.79	251215	2.51	1794	83.75	269665	3.45
5001-10000	133	6.49	100021	1.00	136	6.35	103660	1.24
10001-20000	65	3.17	97186	0.97	69	3.22	104619	1.31
20001-30000	18	0.88	45719	0.46	18	0.84	45514	0.75
30001-40000	30	1.47	100338	1.00	35	1.64	117955	1.14
40001-50000	10	0.49	47535	0.48	8	0.37	36818	0.43
50001-100000	27	1.32	211021	2.11	33	1.54	247153	2.16
100001 & above	49	2.39	9146965	91.47	49	2.29	9074616	89.52
<b>Total</b>	<b>2048</b>	<b>100.00</b>	<b>10000000</b>	<b>100.00</b>	<b>2142</b>	<b>100.00</b>	<b>10000000</b>	<b>100.00</b>

## IV. Others

- The Board of Directors of the Company has adopted a policy to regulate transactions between the Company and its related parties in compliance with the applicable provisions of Companies Act, 2013, SEBI (LODR) Regulation, 2015 read with Clause 49 of the Listing Agreement. The disclosure of related party transactions is made as per AS-18 in the Notes to Financial Statements. However in terms of Section 188(1) of the Companies Act, 2013 read with rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board feels that the transactions made are not material in nature.
- Except for payment of fine/penalty to BSE Ltd. in connection to the financial year 2019-20 the Company has no penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.
- The Company has adopted the Whistle Blower/Vigil Mechanism Policy as required under Section 177(9) & (10) of the Companies Act, 2013 & as per Clause 49 of the Listing Agreement.
- The Company has complied with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- The Company has adopted the Policy on Determining Material Subsidiaries as required under Companies Act, 2013 & SEBI (LODR) Regulation, 2015.
- The Company has adopted the Related Party Transactions Policy as required under Section 188(1) of the Companies Act, 2013 & SEBI (LODR) Regulation, 2015 read with Clause 49 of the Listing Agreement.

The Company has no commodity price risks and commodity hedging activities.

### DECLARATION IN RESPECT OF CODE OF CONDUCT

In accordance with Regulation 26(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended on 31st March, 2020.

Place: Kolkata  
Date: 30.06.2020

For BNK Capital Markets Limited  
Ajit Khandelwal (DIN : 00416445)  
Managing Director

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**Overview :**

Indian Economy had registered a growth rate of 4.2% in the Financial Year March 2019-20. India become World's fifth largest economy as per the data from IMF. The nominal GDP of the country jumped above France and UK. The Country's GDP growth was highest in the World in past decade, maintaining average growth rate of 6-7%. India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage.

**Outlook:**

The COVID-19 pandemic is inflicting high and rising human costs worldwide. Protecting lives and allowing healthcare systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply, much worse than during the 2008-09 financial crisis.

There is extreme uncertainty around the global growth forecast. The economic fallout depends on factors that interact in ways that are hard to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply chain disruptions, shifts in spending patterns, behavioural changes (such as people avoiding shopping malls and public transportation), confidence effects, and volatile commodity prices. Many countries face a multi layered crisis comprising a health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices.

**Risk and concerns:**

The key threats include, the changes/slowdown in the implementation of the Government policies because of COVID-19 pandemic, delay & short term fall out in implementation of economic booster packages, failure to contain actual inflation within a reasonable range, high NPA's of the banks, defaults & frauds, governing rules of SEBI and RBI etc. Geo political conditions may affect the global economy which may reflect in capital, currency, commodities and debt market substantially. Below average monsoon may also a negative factor for Economy. Overall growth may be negative due to the effects of Covid19 pandemic.

**Business Segment Analysis**

During the period under review the Company's activities was majorly restricted to Capital Market, NBFC and related fields. The company has made investments and disinvestments, trading and dealing in Securities and Mutual Funds. The Company was also engaged in providing services of data collection like AADHAR services and other related services.

**Financial Results**

The financial performance of the Company, for the year ended 31st March 2020 is summarized below:

	Year Ended 31st March 2020 (₹ In Lacs)	Year Ended 31st March 2019 (₹ In Lacs)
Gross Profit	926.91	1266.68
Net Profit After Tax	877.30	1262.90

**Comment on current year's performance:**

Revenue : Total Revenue of the Company has increased in comparison to previous year because of sale of shares & securities during the year.

Operating Expenses : Operating & Administrative expense has increased in comparison to previous year because of high legal expenses during the year.

Operating Profit : Profits have decreased in comparison to last year due to lower dividend receipt.

Interest Expense : Interest Expenses has been decreased as compared to last year.

Depreciation : Depreciation has increased during the year.

Net Profit : Net profits of the Company during the year have decreased in comparison to previous year under review.

**Human Resources**

The Company's human resource strategy, which is in line with the group strategy, revolves around the development of the individual.

**Internal Controls**

The Company has a proper and adequate system of internal controls befitting its size to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized and reported correctly.

The internal controls are supplemented by internal audits, reviewed by Management and Audit Committee of Board of Directors. The internal control ensures that appropriate financial records are available for preparing financial statements and other data for showing a true and fair picture of the state of affairs of the Company.

Ajit Khandelwal  
Chairman & Managing Director  
DIN No.: 00416445

Place: Kolkata  
Date: 30th July, 2020

**MANAGING DIRECTOR AND CFO CERTIFICATION**

We Dr. Ajit Khandelwal, Managing Director and Rabindra Nath Mishra, Chief Financial Officer responsible for the finance function hereby certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
  - I) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - II) These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) I) There has not been any significant change in internal control over financial reporting during the year under reference.  
 II) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.  
 III) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Ajit Khandelwal  
Managing Director  
DIN No.: 00416445

Rabindra Nath Mishra  
Chief Financial Officer

Place: Kolkata  
Date: 30th June, 2020

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To**

**The Members of BNK Capital Markets Ltd.**

We have examined the compliance of conditions of corporate governance by BNK Capital Markets Limited ("the Company"), for the year ended 31st March, 2020, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement and Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

FOR SANTOSH CHOUDHARY & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM'S REGISTRATION NO - 323720E  
CA SANTOSH KUMAR CHOUDHARY

Place : Kolkata  
Date : 29th July, 2020

PARTNER  
MEMBERSHIP NO. 058692  
UDIN 20058692AAAAAYM7081



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BNK CAPITAL MARKETS LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **BNK CAPITAL MARKETS LIMITED ("the Company")** which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the statement of cash flows and Statements of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Profit including Other Comprehensive Income, its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the standalone 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 during the course of our audit or otherwise appears to be materially misstated.

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

### Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's

financial reporting process.

### Auditor's Responsibility for the Audit of the Financial Statements

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

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

- o to 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.
- o to obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- o to evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- o to conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- o to evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The company does not have any branch office thus audit under sub-section(8) does not apply to the company
  - d. The Balance Sheet, the Statement of Profit and Loss including the

Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- f. there are no such matters relating to financial transactions or other matters which have adverse effect on the functioning of the company;
- g. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- h. There are no qualifications, reservation or adverse remark relating to the maintenance of the accounts and other matters connected therewith, and
- i. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B";
- j. As required under 'Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008', and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further state that:
  - i. The Company has obtained the "Certificate of Registration" from Reserve Bank of India for registration as "Non-banking Financial Company without accepting public deposits" on 9th December, 2004 (Certificate No. B\_05.02574).
  - ii. In terms of its Assets / Income Pattern for the financial year 31st March, 2020, the Company is entitled to continue to hold such Certificate of Registration.

**We further state that:**

- ⑦ The Board of Directors has passed a Board Resolution for the Non-acceptance of any public deposits.
- ⑦ The Company has not accepted any Public Deposits during the year.
- ⑦ 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.
- ⑦ The Company is not a "Systematically Important Non Deposit taking Non-Banking Financial Company."

Our opinion is not qualified in respect of this matter; and

- k. 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), 2014, 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 litigations which would impact its financial position.
  - ii. In our opinion and as per the information and explanations provided to us, the Company did not have any long term contracts including derivative contracts for which there were any materials foreseeable losses.
  - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, SANTOSH CHOUDHARY & ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. - 323720E)

(CA. Santosh Kumar Choudhary)  
Partner  
Membership No.- 058692  
UDIN: 20058692AAAAAS1797

Place: Kolkata  
Date: 30.06.2020

**ANNEXURE-A TO THE INDEPENDENT  
AUDITOR'S REPORT**

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

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. The Company holds no immovable property in its own name and possession.
2. a. The inventories have been physically verified at reasonable intervals by the management.
- b. In our opinion, no material discrepancies were noticed on such physical verification.
3. As per the information given to us, the Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013:
  - a. In respect of aforesaid loan granted, the schedule of repayment was stipulated and the repayment is regular.
  - b. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the interest of the company.
  - c. In respect of the said Loans and Interest thereon, there are no amounts overdue more than 90 days.
4. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees and securities.
5. According to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under are not applicable to the Company.
6. The maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.
7. The Company is regular in depositing undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Goods and Service Tax, Cess and other statutory dues as applicable to the appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2020 for a period of more than six months from the date they became payable.
8. The company has not defaulted in repayment of dues to its financial institution(s) and its bank during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us, the remuneration of the Managing Director of the Company has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the requirements as per clause 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 & 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not

made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company had obtained the registration under section 45-IA of the Reserve Bank of India Act, 1934 with effect from 9th December, 2004 and has been carrying on of the business of Non-Banking Financial Institution without accepting Public Deposit.

For, SANTOSH CHOUDHARY & ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. - 323720E)

(CA. Santosh Kumar Choudhary)  
Partner

Membership No.- 058692  
UDIN: 20058692AAAAAS1797

Place: Kolkata  
Date: 30.06.2020

## Annexure - B to the Independent Auditor's Report of even date, on the Standalone Financial Statements of BNK Capital Markets Limited.

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

We have audited the internal financial reporting of BNK Capital Markets Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate

to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:-

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the Company; and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

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

For, SANTOSH CHOUDHARY & ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. - 323720E)

(CA. Santosh Kumar Choudhary)  
Partner  
Membership No.- 058692  
UDIN: 20058692AAAAAS1797

Place: Kolkata  
Date: 30.06.2020

**BALANCE SHEET AS AT 31ST MARCH, 2020.**

SI. No.	Particulars	Note No	Amount in Rs. Lakhs		
			As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>					
<b>(I) Financial Assets</b>					
(a)	Cash and Cash Equivalents	6	570.11	1,044.78	420.79
(b)	Bank Balance other than Cash and Cash Equivalents	7	217.06	203.39	190.80
(c)	Receivables				
	Trade Receivables	8	31.95	34.31	165.66
(d)	Loans	9	3,412.72	3,028.21	2,587.34
(e)	Investments	10	17,705.81	39,855.93	42,761.57
(f)	Other Financial assets	11	9.28	25.54	66.11
			<b>21,946.93</b>	<b>44,192.16</b>	<b>46,192.27</b>
<b>(II) Non Financial Assets</b>					
(g)	Inventories	12	258.22	265.30	19.53
(h)	Current Tax Assets (Net)	13	78.83	52.88	34.55
(i)	Deferred Tax Assets (Net)	21	25.14	-	28.80
(j)	Property, Plant and Equipment	14	82.85	20.32	27.59
(k)	Capital Work-in-progress	15	-	0.59	-
(l)	Other Non Financial Assets	16	801.44	806.13	801.33
			1,246.48	1,145.22	911.80
	<b>Total Assets</b>		<b>23,193.41</b>	<b>45,337.37</b>	<b>47,104.07</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>(I) Financial Liabilities</b>					
(a)	Payables				
	Trade Payables	17			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		18.74	19.12	110.26
(b)	Borrowings (Other than Debt Securities)	18	30.16	137.63	1,503.64
(c)	Other Financial Liabilities	19	0.82	0.80	0.97
			<b>49.72</b>	<b>157.55</b>	<b>1,614.87</b>
<b>(II) Non Financial Liabilities</b>					
(d)	Provisions	20	30.33	26.54	26.76
(e)	Deferred Tax Liabilities(Net)	21	-	303.35	-
(f)	Other Non Financial Liabilities	22	3.66	0.35	5.58
			<b>33.99</b>	<b>330.24</b>	<b>32.34</b>
<b>(III) Equity</b>					
(g)	Equity Share Capital	23	1,000.00	1,000.00	1,000.00
(h)	Other Equity	24	22,109.69	43,849.58	44,456.86
			23,109.69	44,849.58	45,456.86
	<b>Total Liabilities and Equity</b>		<b>23,193.41</b>	<b>45,337.37</b>	<b>47,104.07</b>

The Notes to Account forms integral part of Financial Statements

1- 47

As per our report of even date  
FOR SANTOSH CHOUDHARY & ASSOCIATES

Chartered Accountants  
Firm Registration.No. 323720E

(CA. SANTOSH KUMAR CHOUDHARY)

Partner  
Membership No.058692  
UDIN : 20058692AAAAAS1797

Place: Kolkata  
Dated: 30th June, 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AJIT KHANDELWAL  
Chairman & Managing Director  
DIN: 00416445

MURARI LAL KHETAN  
Director  
DIN-00009187

RABINDRANATH MISHRA  
Chief Financial Officer

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020.

Sl. No.	Particulars	Note No	For the year ended 31st March, 2020	Amount in Rs. Lakhs For the year ended 31st March, 2019
	<b>Revenue from Operations</b>			
	Interest Income	25	347.00	299.51
	Dividend Income	26	867.61	1,055.73
	Net gain on fair value changes	27	37.50	38.61
	Sale of Shares & Securities	28	384.23	72.96
	Sale of Services	29	210.29	228.45
<b>(I)</b>	<b>Total Revenue from Operations</b>		<b>1,846.63</b>	<b>1,695.26</b>
	Other Income	30	16.73	3.00
<b>(III)</b>	<b>Total Income (I + II)</b>		<b>1,863.36</b>	<b>1,698.26</b>
	<b>Expenses</b>			
	Finance Costs	31	5.84	7.69
	Purchase of Shares & Securities		518.17	315.30
	Change in inventories of stock-in-trade		7.08	(245.77)
	Employee Benefits Expenses	32	103.55	91.92
	Depreciation, amortization and impairment	33	30.96	9.28
	Other Expenses	34	270.85	253.15
<b>(IV)</b>	<b>Total Expenses</b>		<b>936.45</b>	<b>431.58</b>
<b>(V)</b>	<b>Profit before tax (III - IV)</b>		<b>926.91</b>	<b>1,266.68</b>
<b>(VI)</b>	<b>Tax Expenses</b>	40		
	(i) Current Tax		20.08	77.91
	(ii) Deferred Tax		29.53	(76.80)
	(iii) Tax Adjustments for earlier Years		-	2.67
			49.61	3.78
<b>(VII)</b>	<b>Profit after tax (V - VI)</b>		<b>877.30</b>	<b>1,262.90</b>
<b>(VIII)</b>	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss	41		
	-Changes in fair valuation of Equity instruments		(22,432.19)	(2,632.30)
	-Profit/(Loss) on derecognition of Equity instruments		(1.61)	(17.23)
	-Remeasurement profit/(loss) on defined benefits plans		1.10	(1.49)
	(ii) Income Tax relating to above	40.3	358.02	(408.94)
	Total Other Comprehensive Income (i - ii)		<b>(22,074.68)</b>	<b>(3,059.97)</b>
<b>(IX)</b>	<b>Total Comprehensive Income for the period (VII + VIII)</b>		<b>(21,197.38)</b>	<b>(1,797.07)</b>
<b>(X)</b>	<b>Earnings per equity share</b>			
	- Basic (Rs.)	37	8.77	12.63
	- Diluted (Rs.)		8.77	12.63
	The Notes to Account forms integral part of Financial Statements		1-47	

As per our report of even date  
FOR SANTOSH CHOUDHARY & ASSOCIATES

Chartered Accountants  
Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner  
Membership No.058692  
UDIN : 20058692AAAAAAS1797

Place: Kolkata  
Dated: 30th June, 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**AJIT KHANDELWAL**  
Chairman & Managing Director  
DIN: 00416445

**MURARI LAL KHETAN**  
Director  
DIN-00009187

**RABINDRANATH MISHRA**  
Chief Financial Officer

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

Particulars	Amount in Rs. Lakhs	
	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	926.91	1,266.68
<b>Add :</b> Depreciation and amortisation expenses	30.96	9.28
Provision Standard Assets	0.96	1.10
	<u>31.92</u>	<u>10.38</u>
	958.83	1,277.06
<b>Less:</b> Interest Income on Fixed Deposit	15.16	13.98
Interest Income on Bonds		
Dividend Income from Investments	867.61	1,055.73
Net gain/(loss) on sale of PPE	12.13	-
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	2.48	7.07
Interest paid	(5.84)	(7.69)
	<u>891.55</u>	<u>1,069.09</u>
<b>Operating Profit before Working Capital changes</b>	<u>67.28</u>	<u>207.97</u>
(Increase)/ Decrease in loans and advances and other assets	(354.33)	(396.02)
(Increase)/ Decrease in inventory	7.08	(245.76)
(Increase)/ Decrease in trade receivable	2.36	131.31
Increase/ (Decrease) in Trade Payable	(0.38)	(91.14)
(Increase)/ Decrease in Trade Receivable		
Increase/ (Decrease) Liabilities/ Provisions	6.16	(6.72)
	<u>(339.12)</u>	<u>(608.32)</u>
<b>Cash generated from Operations</b>	<u>(271.84)</u>	<u>(400.35)</u>
<b>Less:</b> Direct Taxes paid (Net)	55.26	107.99
<b>Net cash flow from Operating activities</b>	<u>(327.10)</u>	<u>(508.34)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(92.91)	(2.60)
Net gain/(loss) on sale of PPE	12.13	-
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	2.48	7.07
Sale of current investments	(282.58)	254.61
Dividend paid	(450.00)	(150.00)
Corporate dividend tax	(92.51)	(30.71)
Interest paid	(5.84)	(7.69)
Interest received on Fixed Deposits	15.16	13.98
Dividend received	867.61	1,055.73
	<u>(26.44)</u>	<u>1,140.40</u>
<b>Net Cash flow from Investing activities</b>	<u>(26.44)</u>	<u>1,140.40</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	(107.47)	4.49
	<u>(107.47)</u>	<u>4.49</u>
<b>Net cash flow from Financing activities</b>	<u>(107.47)</u>	<u>4.49</u>
<b>Cash and Cash equivalents (A+B+C)</b>	<u>(461.00)</u>	<u>636.54</u>
<b>Cash and Cash equivalents as at 1st April</b>	<u>1,248.17</u>	<u>611.59</u>
<b>Cash and Cash equivalents as at 31st March</b>	<u>787.17</u>	<u>1,248.17</u>

The Notes to Account forms integral part of Financial Statements 1- 47

Note :

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

2. Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	(Amount in Rs. lakhs)	
	As on 31st March, 2020	As on 31st March, 2019
Balances with banks:		
In current accounts	26.77	61.71
In fixed deposits	217.06	203.39
Cash on hand	1.17	0.89
Debt Mutual Fund	542.16	982.17
	787.17	1,248.17
	<u>1241.07</u>	<u>608.74</u>

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAS1797

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**AJIT KHANDELWAL**  
Chairman & Managing Director  
DIN: 00416445

**MURARI LAL KHETAN**  
Director  
DIN-00009187

**RABINDRANATH MISHRA**  
Chief Financial Officer

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**Statement of Changes in Equity for the year ended 31st March, 2020**
**(i) Equity Share Capital**

Particulars	Amount in Rs. Lakhs
<b>Balance as at April 1, 2018</b>	1,000.00
Changes during the year	-
<b>Balance as at March 31, 2019</b>	1,000.00
Changes during the year	-
<b>Balance as at March 31, 2020</b>	<u>1,000.00</u>

**(ii) Other Equity**
**As at March 31, 2020**

Particulars	Profit & Loss	Securities Premium	Revenue & Surplus			Other Comprehensive Income Reserve	Total
			Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	General Reserve			
<b>Balance as at March 31, 2019</b>	<b>1,028.67</b>	<b>1,230.00</b>	<b>1,061.36</b>	<b>4,193.71</b>	<b>36,335.84</b>	<b>43,849.58</b>	
Profit for the year	877.30	-	-	-	-	877.30	
Other Comprehensive Income for the year	-	-	-	-	(22,074.68)	(22,074.68)	
Reclassification of gain on sale of FVOCI equity instrument	1.73	-	-	-	(1.73)	-	
Final Dividend for Financial Year 2018-19	(200.00)	-	-	-	-	(200.00)	
Interim Dividend	(250.00)	-	-	-	-	(250.00)	
Corporate Dividend Tax	(92.51)	-	-	-	-	(92.51)	
Transferred from Retained earnings to Special Reserve	(175.46)	-	175.46	-	-	-	
Transferred from Retained earnings to General Reserve	(300.00)	-	-	300.00	-	-	
<b>Balance as at March 31, 2020</b>	<u><b>889.73</b></u>	<u><b>1,230.00</b></u>	<u><b>1,236.82</b></u>	<u><b>4,493.71</b></u>	<u><b>14,259.43</b></u>	<u><b>22,109.69</b></u>	
<b>As at March 31, 2019</b>					<b>(Amount in Rs. lakhs)</b>		
<b>Balance as at April 1, 2018</b>	<b>640.49</b>	<b>1,230.00</b>	<b>789.77</b>	<b>2,223.21</b>	<b>39,573.39</b>	<b>44,456.86</b>	
Profit for the year	1,262.90	-	-	-	-	1,262.90	
Other Comprehensive Income for the year	-	-	-	-	(3,059.97)	(3,059.97)	
Reclassification of gain on sale of FVOCI equity instrument	177.58	-	-	-	(177.58)	-	
Final Dividend for Financial Year 2017-18	(150.00)	-	-	-	-	(150.00)	
Corporate Dividend Tax	(30.71)	-	-	-	-	(30.71)	
Transferred from Retained earnings to Special Reserve	(271.59)	-	271.59	-	-	-	
Transferred from Retained earnings to General Reserve	(600.00)	-	-	1,970.50	-	1,370.50	
<b>Balance as at March 31, 2019</b>	<u><b>1,028.67</b></u>	<u><b>1,230.00</b></u>	<u><b>1,061.36</b></u>	<u><b>4,193.71</b></u>	<u><b>36,335.84</b></u>	<u><b>43,849.58</b></u>	

Refer Note no. 24 for nature and purpose of reserves.

The Notes to Account forms integral part of Financial Statements

1-47

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAS1797

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**AJIT KHANDELWAL**  
 Chairman & Managing Director  
 DIN: 00416445

**MURARI LAL KHETAN**  
 Director  
 DIN-00009187

**RABINDRANATH MISHRA**  
 Chief Financial Officer



## Notes To Financial Statements For The Year Ended 31st March, 2020

### 1 Background information

BNK Capital Markets Limited CIN:L34202WB1986PLC040542 is a Public Limited Company domiciled in India and incorporated under the Companies Act, 1956. BNK Capital Markets Limited is registered under the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company and is primarily engaged in investment activities. Its shares are listed on the BSE Limited and The Calcutta Stock Exchange Limited in India.

The standalone financial statements of the Company as on 31st March, 2020 were approved and authorised for issue by the Board of Directors on 30th June, 2020.

The national lockdown announced on March 23, 2020 owing to the COVID-19 pandemic affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating volatility in the stock markets. The resultant impact on the fair value of the investments held by the Company are reflected in the Total Comprehensive Income and Total Equity of the Company for the year ended March 31, 2020, in line with the Accounting Policy consistently followed by the Company.

The future income from investments and the valuations of investee companies would depend on the global economic developments in the coming months and the resumption of activity on gradual relaxation of Lockdowns. Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the balance sheet of the Company has adequate liquidity to service its obligations and sustain its operations.

### 2 Statement of Compliance with Ind AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time with effect from 1st April, 2019.

For all periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with the requirements of the accounting standards notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

These financial statements for the year ending 31st March, 2020 are the first financial statements that the Company has prepared under Ind AS. The date of transition to Ind AS is April 1, 2018 and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at April 1, 2018 and March 31, 2019, total comprehensive income and cash flow for the year ended March 31, 2019. Refer Note 42 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

### 3 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, unless otherwise indicated.

### 4 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and

assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant & equipment, useful lives of property, plant & equipment, provisions and contingent liabilities and long term retirement benefits.

### 5 Significant Accounting policies

#### 5.1 Revenue /Income recognition

(a) 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. This is generally when the shareholders or Board of Directors approve the dividend. Revenue is measured at the fair value of consideration received or receivable.

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.

(b) Other Income: The Company recognises other income on accrual basis as it becomes due.

(c) Sale of service: Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably.

(d) Sale of goods: Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer

#### 5.2 Property, Plant and Equipment and Intangible Assets

Property, plant and equipment and intangible assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes all expenses incidental to the acquisition of the Property, plant and equipment and intangible assets and any attributable cost of bringing the asset to its working condition for its intended use.

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

#### (a) Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP

carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

**(b) 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 property, plant and equipment outstanding at each Balance Sheet date are disclosed in Other Non-Financial Assets.

**(c) Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful life prescribed in Schedule II to the Companies Act, 2013. Property plant and equipment's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**5.3 Financial Instruments**

**(a) Classification**

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instruments of another entity.

Financial assets, other than equity, are classified into, Financial assets at fair value through other comprehensive income (FVOCI) or fair value through Profit and Loss account (FVTPL) or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVOCI. Financial liabilities are classified as amortised cost category and FVTPL. Business Model assessment and Solely payments of principal and interest (SPPI) test:

Classification and measurement of financial assets depends on the business model and results of SPPI 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 business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

-The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

-How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

-The expected frequency, value and timing of sales are also important aspects of the Company's assessment

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

**(b) Initial recognition**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial assets and financial liabilities are initially measured at fair value.

Financial assets and financial liabilities, with the exception of loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and deposits are recognised when the funds are transferred to the

customers account. Trade receivables are measured at the transaction price.

**(c) Subsequent measurement**

Financial assets at amortised cost

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

**(d) Debt Instruments at FVOCI**

Debt instruments that are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long-term investments made by the Company. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to Profit or Loss.

**(e) Equity Instruments at FVOCI**

These include financial assets that are equity instruments as defined in Ind AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designated the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to Profit or Loss.

Dividends from these equity investments are recognised in the statement of Profit and Loss when the right to receive the payment has been established.

**(f) Fair value through Profit and loss account**

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through Profit or Loss are immediately recognised in Profit or Loss.

**5.4 Financial Liabilities and equity instruments**

**(a) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**(c) Other Financial Liabilities**

These are measured at amortised cost using effective interest rate.

**(d) Derecognition of Financial assets and Financial liabilities**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it

transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

#### (e) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost or fair value through OCI. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

#### (f) Reclassification of Financial assets

The company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the company changes its business model for managing such financial assets.

#### 5.5 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

#### 5.6 Investment in subsidiaries and associates

The company has chosen to carry the Investments in associates and subsidiaries at cost less impairment, if any in the separate financial statements.

#### 5.7 Foreign currency transactions and translation

The financial statements of the Company are presented in Indian rupees (Rs.), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Exchange differences arising on the retranslation or settlement of monetary items are included in the statement of Profit and Loss for the period.

#### 5.8 Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

#### 5.9 Inventories

The Company makes trading in Equity Shares of companies listed over stock exchanges in India. Inventories of Equity Shares and securities are valued at fair value and the gain/loss is recognised through the Statement of Profit and Loss.

#### 5.10 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Profit and Loss as other gains/(losses).

#### 5.11 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

#### 5.12 Employee Benefits

##### (a) Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

##### (b) Post-employment Benefit Plans

Post retirement benefits like provident fund, superannuation, gratuity and post retirement medical benefits are provided for as below :

##### (c) Defined Contribution Plans

Contributions under Defined Contribution Plans i.e. provident fund & superannuation fund are recognised in the Statement of Profit and Loss in the period in which the employee has rendered the service (if any).

##### (d) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing

benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

### 5.13 Impairment of non-financial assets

The carrying amounts of the Company's property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

### 5.14 Segment Reporting

#### (a) Identification of segment

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

#### (b) Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

### 5.15 Income Tax

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws,

enacted or substantially enacted as at the balance sheet date. Taxable profit differs from net profit as reported in the Standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred income tax assets and liabilities are recognised for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements and is accounted for using the balance sheet liability method.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantially enacted as of 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 effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a Group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

### 5.16 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

### 5.17 Recent Accounting Developments

#### (a) Standards issued but not yet effective:

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

**Notes to Financial Statements for the Year ended 31st March 2020**

6 CASH AND CASH EQUIVALENTS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand		1.17	0.89	0.98
Balances with banks: In current accounts		26.77	61.71	2.76
Cash in liquid fund	6.1	542.16	982.17	417.06
<b>TOTAL</b>		<b><u>570.11</u></b>	<b><u>1,044.78</u></b>	<b><u>420.79</u></b>

6.1 Mutual funds have been measured at fair value through Profit & Loss.

7 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Fixed Deposit with bank* (Maturity after one year)		217.06	203.39	190.80
<b>TOTAL</b>		<b><u>217.06</u></b>	<b><u>203.39</u></b>	<b><u>190.80</u></b>

\*Pledged against Bank Overdraft facility availed from a Bank.

8 TRADE RECEIVABLES Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured, Considered Good Others	8.1	31.95	34.31	165.66
<b>TOTAL</b>		<b><u>31.95</u></b>	<b><u>34.31</u></b>	<b><u>165.66</u></b>

8.1 Trade receivable includes amount due from a related party Rs. 4.65 Lakhs (March 31, 2019 : Rs. NIL and April 01, 2018 : Rs. NIL)

9 LOANS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured Loans given to Corporates other than Associates Companies		3,381.03	2,996.53	2,555.26
Loans and advances to a related party		31.68	31.68	32.07
<b>TOTAL</b>		<b><u>3,412.72</u></b>	<b><u>3,028.21</u></b>	<b><u>2,587.34</u></b>

**Notes to Financial Statements for the Year ended 31st March 2020**
**10 INVESTMENT**

Particulars	Refer Note No	Nominal Value/Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
			Number/Unit	Amount	Number/Unit	Amount	Number/Unit	Amount
(Amount in Rs. lakhs)								
<b>I. Measured at fair value through other comprehensive income</b>								
<b>i) Quoted equity shares</b>								
10.1 & 10.2								
Aban Offshore Ltd.		₹ 2	1,000	0.14	1,000	0.58	1,000	1.59
Aditya Birla Capital Ltd.		₹ 10	5,000	2.11	5,000	4.88	5,000	7.29
Adani Ports & Special Economic Zone Ltd.		₹ 2	100	0.25	100	0.38	100	0.35
Arihant Impex Ltd.		₹ 10	20,000	-	20,000	-	20,000	-
Adroit Infotech Pvt Ltd.	10.3	₹ 10	66	0.00	66	0.01	66	0.02
Auro Pharma Ltd.		₹ 1	-	-	-	-	1,000	5.57
Axiscades Engineering Technologies Ltd.		₹ 5	4,000	1.11	4,000	2.45	4,000	5.56
Balasure Alloys Ltd.		₹ 5	31,500	2.27	31,500	7.25	31,500	14.69
Bharat Earth Movers Ltd.		₹ 10	44	0.20	44	0.45	44	0.46
Bharat Pipes & Fittings Ltd		₹ 10	500	-	500	-	500	-
Bhansali Engineers Polymers Ltd.		₹ 1	1,000	0.29	1,000	0.73	1,000	1.70
Bharat 22 (Exchange traded fund) - Industrial Credit and Investment Corporation of India Prudential Asset Management Co.		₹ 10	-	-	-	-	25,000	8.74
B J Duplex Boards Ltd.		₹ 10	1,000	0.01	1,000	0.01	1,000	0.05
Bodal Chemical Ltd.		₹ 2	1,000	0.42	1,000	1.27	1,000	1.22
Bhoruka Aluminium Limited		₹ 10	25,000	-	25,000	-	25,000	-
Century Enka Ltd.		₹ 10	1,500	1.78	1,500	3.78	1,500	4.52
CESC Ltd.		₹ 10	2,902,514	11,002.91	2,902,514	21,117.24	2,902,514	28,086.18
CFL Capital Financial Services Ltd.		₹ 10	3,439,832	-	3,439,832	-	3,439,832	-
CESC Ventures Ltd.		₹ 10	580,502	650.87	580,502	3,617.40	-	-
CNI Research Ltd.		₹ 1	5,000	0.09	5,000	0.10	5,000	0.14
Coromandel Engineering Ltd.		₹ 10	1,000	0.12	1,000	0.29	1,000	0.48
Elgi Equipments Ltd.		₹ 1	50	0.06	50	0.12	50	0.13
Emami Infra. Ltd.		₹ 2	1,000	0.28	1,000	1.15	1,000	2.40
Enkay Texofood Industries Ltd.		₹ 10	2,000	0.20	2,000	0.20	2,000	0.20
Enso Secutrack Ltd.		₹ 10	4,000	0.25	4,000	0.25	4,000	0.25
Essel Propack Ltd.		₹ 2	31	0.05	150	0.09	75	0.18
Gujrat Narmada Valley Fertilizers and Chemicals Ltd.		₹ 10	-	-	-	-	1,000	3.64
Gujarat Mineral Development Corp.Ltd.		₹ 2	1,000	0.31	1,000	0.82	1,000	1.23
G V Films Ltd.		₹ 1	2,500	0.01	2,500	0.01	2,500	0.02
G V K Power & Infrastructure Ltd.		₹ 1	51,250	1.15	51,250	3.96	51,250	7.25
Gwalior Strips Ltd.		₹ 10	1,000	-	1,000	-	1,000	-
Halmark Drug & Chem Ltd.		₹ 10	5,000	-	5,000	-	5,000	-
Hendez Electronics Ltd.		₹ 10	300	-	300	-	300	-
Hind Composite Ltd.		₹ 5	74,316	80.41	14,024	29.91	414	1.63
Indiabulls Ventures Ltd. (Partly Paidup)		₹ 2	2,343	0.71	2,343	0.05	2,343	2.06
Indiabulls Ventures Ltd.		₹ 2	3,157	3.41	3,157	10.27	10,000	24.25
Indian Oil Corporation Ltd.		₹ 10	1,466	1.20	1,466	2.39	2,000	3.53
Indsil Hydro Power & Maganese Ltd.		₹ 10	3,333	0.28	3,333	2.07	3,333	5.53
Intellect Design Arena Ltd.		₹ 5	450	0.24	450	0.92	450	0.74
Jay Bharat Fabric Ltd.		₹ 10	10,000	-	10,000	-	10,000	-
IRB Invt Fund		₹ 102	10,000	2.55	10,000	6.67	-	-
JL Morision (India) Ltd.		₹ 10	12,300	184.50	1,850	25.92	1,850	24.51
Kanika Infrastructure & Power Ltd.		₹ 1	500	0.00	500	0.00	500	0.00
Kanel Oil Export Ltd.		₹ 10	1,100	-	1,100	-	1,100	-
Karnatka Bank Ltd.	10.3	₹ 10	2,200	0.93	2,000	2.67	2,000	2.30
Manapuram Finance Ltd.		₹ 2	-	-	-	-	2,000	2.19
Mardia Steel Ltd.		₹ 10	600	0.06	600	0.06	600	0.06
Mercator Ltd.		₹ 1	10,000	0.05	10,000	0.69	10,000	3.47
Mura Black India Ltd.		₹ 10	300	-	300	-	300	-
Morganite Crucible India Ltd.		₹ 10	50	0.71	50	0.72	-	-
Nagarjuna Fertilizer and Chemicals Ltd.		₹ 10	1,540	0.05	1,540	0.11	1,540	0.24
Nagarjuna Oil Refinery Ltd.		₹ 1	1,400	0.01	1,400	0.00	1,400	0.05
NHPC Ltd.		₹ 10	88,960	2.79	88,960	22.02	88,960	24.60
Nihar Info Global Ltd.		₹ 10	25,000	0.75	25,000	2.61	25,000	3.48

**Notes to Financial Statements for the Year ended 31st March 2020**

Nutraplus India Ltd.		₹ 5	10,000	0.54	-	-	-	-
One Point One Solution Ltd.	10.3	₹ 10	6,000	0.79	4,000	2.21	4,000	2.76
Orchid Pharma Ltd.		₹ 10	300	0.67	300	0.02	300	0.03
Origion Agro Star Ltd.		₹ 10	3,600	0.14	3,600	0.14	3,600	0.14
ONGC Ltd.		₹ 5	10,000	6.83	-	-	-	-
Padmini Technologies Ltd.		₹ 10	2,500	0.25	2,500	0.25	2,500	0.25
Phillips Carbon Black Ltd.		₹ 2	3,669,000	2,302.07	3,669,000	6,481.29	733,800	7,978.61
Pennar Aluminium Company Ltd.		₹ 10	15,000	0.03	15,000	0.03	15,000	0.03
Polaris Consulting & Services Ltd.		₹ 5	-	-	-	-	450	2.11
Protchem Industries Ltd.		₹ 10	2,500	0.03	2,500	0.03	2,500	0.03
Punjab National Bank Gifts Ltd.		₹ 10	6,666	1.60	6,666	2.12	6,666	2.31
Rasoi Ltd.		₹ 200	-	-	-	-	749	271.14
Reliance Power Ltd.		₹ 10	3,270	0.04	3,270	0.37	3,270	1.18
Sanghi Polyester Ltd.		₹ 10	4,700	0.47	4,700	0.47	4,700	0.47
Saregama India Ltd.		₹ 10	813,220	1,321.19	813,220	4,816.30	813,220	5,349.36
Shoppers Stop Ltd.		₹ 5	1,000	1.93	1,000	4.71	1,000	5.29
Stiefel Und Schuh Ltd.		₹ 10	2,100	-	2,100	-	2,100	-
Steel Strips Infrastructures Ltd..		₹ 10	6,000	-	6,000	-	6,000	-
Spencer's Retail Ltd.		₹ 5	1,741,508	1,238.33	1,741,508	2,789.03	-	-
Tata Steel Ltd.		₹ 10	689	1.86	689	3.59	689	3.93
Tata Steel Ltd. (Partly paid up)		₹ 3	76	0.02	76	0.05	76	0.11
Texmaco Infrastructure & Holding Ltd.		₹ 10	5,000	1.55	5,000	2.83	5,000	3.07
The Supreme India Ltd.		₹ 2	500	4.34	-	-	-	-
Valliant Communication Ltd.		₹ 10	10,000	1.86	10,000	2.80	10,000	5.44
Varun Global Ltd.		₹ 1	14,850	0.15	14,850	0.15	14,850	0.15
Varun Resources Ltd.		₹ 1	59,400	0.59	59,400	0.59	59,400	0.59
Welspun Enterprises Ltd.		₹ 10	1,500	0.61	1,500	1.59	1,500	2.12
Yes Bank Ltd.		₹ 10	-	-	-	-	1,000	3.05
			<b>16,829.41</b>		<b>38,979.02</b>		<b>41,884.66</b>	
<b>ii) In Units of Mutual Fund</b>								
Unit Trust of India Master Share			5,000	1.10	5,000	1.62	5,000	1.62
				<b>1.10</b>		<b>1.62</b>		<b>1.62</b>
<b>iii) Unquoted Equity Shares</b>								
Bliss Stock Brokers Pvt Ltd.		₹ 10	180,000	238.72	180,000	238.72	180,000	238.72
Fermanite Nicco Services Ltd.		₹ 10	10	-	10	-	10	-
Gujarat Securities Ltd.		₹ 10	10,000	0.26	10,000	0.26	10,000	0.26
Zeon Synthetics Ltd.		₹ 10	120,000	10.86	120,000	10.86	120,000	10.86
				<b>249.85</b>		<b>249.85</b>		<b>249.85</b>
<b>iv) Unquoted Equity Shares - Group Company</b>								
Multiple Infra Pvt Ltd.		₹ 10	22,500	24.75	22,500	24.75	22,500	24.75
				<b>24.75</b>		<b>24.75</b>		<b>24.75</b>
<b>II. Measured at cost</b>								
<b>i) Associates</b>								
BNK Securities Pvt Ltd.		₹ 10,000	2,544	439.69	2,544	439.69	2,544	439.69
				<b>439.69</b>		<b>439.69</b>		<b>439.69</b>
<b>ii) In Subsidiary Company Equity Shares</b>								
BNK Commodities Pvt.Ltd.		₹ 10	1,610,000	161.00	1,610,000	161.00	1,610,000	161.00
				<b>161.00</b>		<b>161.00</b>		<b>161.00</b>
<b>TOTAL</b>				<b>17,705.81</b>		<b>39,855.93</b>		<b>42,761.57</b>

10.1 The company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested in leaders in sectors, which it believes to have potential to remain accretive over the long term.

10.2 During the current or previous reporting periods the company has not reclassified any investments since its initial classification.

10.3 There have been changes in the quantity /facevalue/the name of the Companies due to their respective various corporate restructuring activities.

**Notes to Financial Statements for the Year ended 31st March 2020**

11 OTHER FINANCIAL ASSETS Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As on 1st April, 2020	As on 1st April, 2019	As on 1st April, 2018
Security & Earnest Money Deposits		9.28	25.54	66.11
<b>TOTAL</b>		<b>9.28</b>	<b>25.54</b>	<b>66.11</b>

12 INVENTORIES Particulars	Refer Note No	Nominal Value/ Face Value	(Amount in Rs. lakhs)					
			As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
			Number/ Unit	Amount	Number/ Unit	Amount	Number/ Unit	Amount
63 moons technologies Ltd.		₹ 2	-	-	2,000	1.62	2,000	1.67
Ess Dee Aluminium Ltd.		₹ 10	1,000	0.10	1,000	0.16	1,000	0.17
Eveready Industries Ltd.		₹ 10	6,000	2.99	54,779	105.53	-	-
Filatex India Ltd.		₹ 10	-	-	-	-	2,000	3.26
Fortis Healthcare Ltd.		₹ 10	10,000	12.61	10,000	13.58	-	-
GKB Ophthalmics Ltd.		₹ 10	1,000	0.10	1,000	0.93	-	-
Gujarat Fluoroclorochemicals Ltd.		₹ 10	7,500	21.75	7,500	82.85	-	-
Goblin India Ltd.		₹ 10	80,000	39.96	-	-	-	-
GFL Ltd.		₹ 1	7,500	6.08	-	-	-	-
Housing Development Finance Corp. Ltd.		₹ 10	1,500	23.82	-	-	-	-
Industrial Finance Corporation of India Ltd. (Bond)		₹ 1,000,000	1	10.00	1	10.00	1	10.00
JK Paper Ltd.		₹ 10	-	-	-	-	1,000	1.49
Kwality Ltd.		₹ 10	-	-	-	-	1,000	0.08
National Buildings Construction Corp. (India) Ltd.		₹ 1	2,500	0.41	-	-	-	-
Omaxe Ltd.		₹ 10	64,000	97.82	-	-	-	-
Precision Camshafts Ltd.		₹ 10	1,000	0.25	1,000	0.59	1,000	0.60
SBI Cards & Pay Services Ltd.		₹ 10	1530	9.46	-	-	-	-
Snowman Logistics Ltd.		₹ 10	5,000	1.58	5,000	1.65	-	-
Trident Ltd.		₹ 10	-	-	-	-	2,500	1.77
Vipul Organics Ltd.		₹ 10	15,000	13.85	5,000	9.01	-	-
Vodafone Idea Ltd		₹ 10	50,000	1.61	-	-	-	-
Vakrangee Ltd.		₹ 10	-	-	-	-	1,000	0.50
Yes Bank Ltd.		₹ 2	5,000	1.12	-	-	-	-
Zensar Technologies Ltd.		₹ 2	17,000	14.71	17,000	39.38	-	-
<b>TOTAL</b>			<b>275,531</b>	<b>258.22</b>	<b>104,280</b>	<b>265.30</b>	<b>11,501</b>	<b>19.53</b>

13 CURRENT TAX ASSETS (NET) Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Tax including Tax deducted at Source (Net of Provisions)		78.83	52.88	34.55
<b>TOTAL</b>		<b>78.83</b>	<b>52.88</b>	<b>34.55</b>

14 PROPERTY, PLANT & EQUIPMENT As at 31 March, 2020	Particulars	(Amount in Rs. lakhs)				
		Computer	Motor Car	Furniture and Fixtures	Office Equipment	Total
<b>GROSS BLOCK</b>						
As at April 1, 2019		1.24	23.02	2.09	3.24	29.59
Addition		0.20	102.41	1.80	1.55	105.97
Disposal/Adjustments		-	12.44	-	0.33	12.77
As at March 31, 2020		<b>1.44</b>	<b>112.99</b>	<b>3.89</b>	<b>4.46</b>	<b>122.79</b>
<b>ACCUMULATED DEPRECIATION</b>						
As at April 1, 2019		0.52	7.19	0.48	1.09	9.28
Depreciation for the year		0.09	29.14	0.55	1.19	30.96
Disposal		-	-	-	0.30	0.30
As at March 31, 2020		<b>0.60</b>	<b>36.33</b>	<b>1.03</b>	<b>1.97</b>	<b>39.94</b>
Net Block as at March 31, 2020		<b>0.84</b>	<b>76.66</b>	<b>2.86</b>	<b>2.49</b>	<b>82.85</b>



**Notes to Financial Statements for the Year ended 31st March 2020**

As at 31 March, 2020

(Amount in Rs. lakhs)

Particulars	Computer	Motor Car	Furniture and Fixtures	Office Equipment	Total
<b>GROSS BLOCK</b>					
Deemed Cost As at 1st April, 2018	1.04	23.02	1.77	1.76	27.59
Addition	0.20	-	0.32	1.48	2.01
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2019	1.24	23.02	2.09	3.24	29.59
<b>ACCUMULATED DEPRECIATION</b>					
As at April 1, 2018	-	-	-	-	-
Addition	-	-	-	-	-
Less: Depreciation for the year	0.52	7.19	0.48	1.09	9.28
Disposal	-	-	-	-	-
As at March 31, 2019	0.52	7.19	0.48	1.09	9.28
Net Block as at March 31, 2019	<u>0.72</u>	<u>15.83</u>	<u>1.61</u>	<u>2.15</u>	<u>20.32</u>

**15 CAPITAL WORK IN PROGRESS**

Particulars	Refer Note No	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance brought forward from the previous year		0.59	-	-
Add: Additions during the period		-	0.59	-
		<u>0.59</u>	<u>0.59</u>	-
Less : Transferred during the period		0.59	-	-
<b>TOTAL</b>		<u>-</u>	<u>0.59</u>	-

**16 OTHER NON FINANCIAL ASSETS**

Particulars	Refer Note No	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advances		0.57	5.00	-
Other deposits		800.00	800.00	800.00
Staff advances		0.11	-	0.40
Prepaid expense		0.76	1.13	0.93
<b>TOTAL</b>		<u>801.44</u>	<u>806.13</u>	<u>801.33</u>

**17 TRADE PAYABLES**

Particulars	Refer Note No	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
For services		-	-	-
- Dues of Micro and Small Enterprises	17.1 & 17.2	-	-	-
- Other than Micro and Small Enterprises	17.2	18.74	19.12	110.26
<b>TOTAL</b>		<u>18.74</u>	<u>19.12</u>	<u>110.26</u>

17.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.

17.2 Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

**18 BORROWINGS (OTHER THAN DEBT SECURITIES)**

Particulars	Refer Note No	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Secured				
Term Loan From a Bank (Vehicle Loan)	18.1	29.95	-	0.45
From Body Corporates, Repayable on Demand (against motor car)		-	23.97	29.43
"Bank Overdraft"(Limit Sanctioned Rs. 1.94 crore(P.Y. Rs.1.69 crore "against security of Fixed deposit)"	18.2	0.21	113.66	103.28
Unsecured				
From Body Corporates, Repayable on Demand		-	-	1,370.50
<b>TOTAL</b>		<u>30.16</u>	<u>137.63</u>	<u>1,503.65</u>

**Notes to Financial Statements for the Year ended 31st March 2020**

**18.1 Details of Term loans from banks (secured)-**

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
- Payable in 60 equal instalments of Rs 71,627/- per month . Rate of interest 8.70% per annum on reducing balance method maturity within 1 year	6.23	-	0.45
maturity > 1 year	23.72	-	-
<b>TOTAL</b>	<b>29.95</b>	<b>-</b>	<b>0.45</b>

**18.2 Details of loans from body corporate (secured)-**

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
- Payable in 48 equal instalments of Rs 71,290/- per month . Rate of interest 11.40 % per annum on reducing balance method. maturity within 1 year	-	23.97	5.46
maturity > 1 year	-	-	23.97
<b>TOTAL</b>	<b>-</b>	<b>23.97</b>	<b>29.43</b>

**19 OTHER FINANCIAL LIABILITIES**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Outstanding liability for expense		0.82	0.80	0.97
<b>TOTAL</b>		<b>0.82</b>	<b>0.80</b>	<b>0.97</b>

**20 PROVISIONS**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits	39	21.80	18.97	20.29
Contingent provision against standard asset	20.1	8.53	7.57	6.47
<b>TOTAL</b>		<b>30.33</b>	<b>26.54</b>	<b>26.76</b>

**21 DEFERRED TAX ASSETS/(LIABILITIES) (NET)**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Assets	21.1	121.86	151.68	74.50
Deferred Tax Liabilities	21.1	(96.72)	(455.03)	(45.70)
<b>TOTAL</b>		<b>25.14</b>	<b>(303.35)</b>	<b>28.80</b>

**21.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet:**

Particulars	Opening	(Charge)/Credit	(Charge)/Credit	Closing
	Balance April 1, 2019	in Profit and Loss	in Other Compre- hensive Income	Balance March 31, 2020
<b>Deferred Tax Liabilities</b>				
Difference in carrying value and tax base of investments measured at FVOCI	455.03	-	(358.30)	96.72
<b>Total Deferred Tax Liabilities</b>	<b>455.03</b>	<b>-</b>	<b>(358.30)</b>	<b>96.72</b>
<b>Deferred Tax Assets</b>				
Difference between tax base and book value of Property, plant and Equipment	7.01	2.67	-	9.68
Defined benefit plans	4.93	1.02	(0.29)	5.67
Difference in carrying value and tax base of investments measured at FVTPL	0.41	(0.08)	-	0.33
MAT Credit entitlement	139.33	(33.15)	-	106.18
<b>Total Deferred Tax Assets</b>	<b>151.68</b>	<b>(29.53)</b>	<b>(0.29)</b>	<b>121.86</b>
<b>Deferred Tax (Liabilities)/asset (Net)</b>	<b>(303.35)</b>	<b>(29.53)</b>	<b>358.02</b>	<b>25.14</b>

**Notes to Financial Statements for the Year ended 31st March 2020**

Particulars	Opening Balance April 1, 2018	(Charge)/Credit in Profit and Loss	(Charge)/Credit in Other Comprehensive Income	Closing Balance March 31, 2019
<b>Deferred Tax Liabilities</b>				
Difference in carrying value and tax base of investments measured at FVOCI	45.70	-	409.33	455.03
<b>Total Deferred Tax Liabilities</b>	<u>45.70</u>	<u>-</u>	<u>409.33</u>	<u>455.03</u>
<b>Deferred Tax Assets</b>				
<b>Difference between tax base and book value of Property, Plant and Equipment</b>	6.82	0.19	-	7.01
Defined benefit plans	5.28	(0.73)	0.39	4.93
Difference in carrying value and tax base of investments measured at FVTPL	0.98	(0.57)	-	0.41
MAT Credit entitlement	61.42	77.91	-	139.33
<b>Total Deferred Tax Assets</b>	<u>74.50</u>	<u>76.80</u>	<u>0.39</u>	<u>151.68</u>
<b>Deferred Tax (Liabilities)/asset (Net)</b>	<u>28.80</u>	<u>76.80</u>	<u>(408.94)</u>	<u>(303.35)</u>
<b>22 OTHER NON FINANCIAL LIABILITIES</b>			(Amount in Rs. lakhs)	
<b>Particulars</b>	<b>Refer Note No</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 1, 2018</b>
Outstanding liabilities for Statutory Dues		3.66	0.35	5.58
<b>TOTAL</b>		<u>3.66</u>	<u>0.35</u>	<u>5.58</u>
<b>23 EQUITY SHARE CAPITAL</b>			(Amount in Rs. lakhs)	
<b>Particulars</b>	<b>Refer Note No</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 1, 2018</b>
Authorised Shares				
Equity Shares of Rs. 10/- each				
1,25,00,000 (March 31, 2019: 1,25,00,000 and April 1, 2018: 1,25,00,000) equity shares		1,250	1,250	1,250
		1,250	1,250	1,250
<b>Issued, Subscribed &amp; Fully Paid Up Shares</b>				
Equity Shares of Rs. 10/- each				
1,00,00,000 (March 31, 2019: 1,00,00,000 and April 1, 2018: 1,00,00,000) equity shares		1,000	1,000	1,000
		1,000	1,000	1,000
23.1 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.				
<b>23.2 Reconciliation of the number of equity shares outstanding</b>			(No of Shares)	
<b>Particulars</b>	<b>Refer Note No</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 1, 2018</b>
Number of shares at the beginning		10,000,000	10,000,000	10,000,000
Add: Additions during the year		-	-	-
Number of shares at the end		10,000,000	10,000,000	10,000,000

**Notes to Financial Statements for the Year ended 31st March 2020**
**23.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:**

Name of the Shareholders	Number of Shares Held	Number of Shares Held	Number of Shares Held
Ajit Khandelwal*			
- No of shares held:	2,270,438	2,270,438	2,270,438
- Percentage of shares held:	22.70%	22.70%	22.70%
Sanjeev Kumar Khandelwal*			
- No of shares held:	1,300,938	1,300,938	992,938
- Percentage of shares held:	13.01%	13.01%	9.93%
BNK Securities Pvt.Ltd			
- No of shares held:	1,273,781	1,273,781	1,273,781
- Percentage of shares held:	12.74%	12.74%	12.74%

\*Held on behalf of Brijnath Khandelwal & Co. as Partners.

**24 OTHER EQUITY**

(Amount in Rs. lakhs)

Particulars	Reserves and Surplus					Total
	Retained Earnings	Statutory Reserve	Securities premium (u/s 45-IC of RBI Act, 1934)	General Reserve	Other Comprehensive Income	
Balance as in April 1, 2018	640.49	1,230.00	789.77	2,223.21	39,573.39	44,456.86
Profit for the year	1,262.90	-	-	-	-	1,262.90
Other Comprehensive Income for the year					(3,059.97)	(3,059.97)
Total Comprehensive Income	1,262.90	-	-	-	(3,059.97)	(1,797.07)
Reclassification of gain on sale of FVOCI Equity Instrument	177.58	-	-	-	(177.58)	-
Final Dividend for Financial Year 2017-18	(150.00)	-	-	-	-	(150.00)
Corporate Dividend Tax	(30.71)	-	-	-	-	(30.71)
Transfer from retained earnings	(871.59)	-	271.59	1,970.50	-	1,370.50
<b>Balance as at March 31, 2019</b>	<b>1,028.67</b>	<b>1,230.00</b>	<b>1,061.36</b>	<b>4,193.71</b>	<b>36,335.84</b>	<b>43,849.58</b>
Profit for the year	877.30	-	-	-	-	877.30
Other Comprehensive Income for the year	-	-	-	(22,074.68)	(22,074.68)	
Total Comprehensive Income	877.30	-	-	-	(22,074.68)	(21,197.38)
Reclassification of gain on sale of FVOCI Equity Instrument	1.73	-	-	-	(1.73)	-
Final Dividend for Financial Year 2018-19	(200.00)	-	-	-	-	(200.00)
Interim Dividend	(250.00)	-	-	-	-	(250.00)
Tax on Dividends	(92.51)	-	-	-	-	(92.51)
Transfer from retained earnings	(475.46)	-	175.46	300.00	-	-
<b>Balance as at March 31, 2020</b>	<b>889.73</b>	<b>1,230.00</b>	<b>1,236.82</b>	<b>4,493.71</b>	<b>14,259.43</b>	<b>22,109.69</b>

**24.1 Securities Premium**

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

**24.2 Statutory Reserve (u/s 45-IC of RBI Act, 1934)**

Statutory Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

**24.3 Retained Earnings**

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the Company.

**24.4 General Reserve**

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to the statement of Profit and Loss.

**Notes to Financial Statements for the Year ended 31st March 2020**

25 INTEREST INCOME			(Amount in Rs. lakhs)
Particulars	Ref Note No	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Financial Assets measured at amortised cost:			
Loans		331.84	285.53
Fixed Deposit		15.16	13.98
<b>TOTAL</b>		<b><u>347.00</u></b>	<b><u>299.51</u></b>
<b>26 DIVIDEND INCOME</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Dividend Income		867.61	1,055.73
<b>TOTAL</b>		<b><u>867.61</u></b>	<b><u>1,055.73</u></b>
<b>27 NET GAIN ON FAIR VALUE CHANGES</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Derivative gain on financial instrument		0.49	0.07
Mutual Fund		37.01	38.54
<b>TOTAL</b>		<b><u>37.50</u></b>	<b><u>38.61</u></b>
<b>27.1 Fair value changes:</b>			
-Realised		35.02	31.54
-Unrealised		2.48	7.07
<b>TOTAL</b>		<b><u>37.50</u></b>	<b><u>38.61</u></b>
<b>28 SALE OF SHARES AND SECURITIES</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Sale of shares and securities		384.23	72.96
<b>TOTAL</b>		<b><u>384.23</u></b>	<b><u>72.96</u></b>
<b>29 SALE OF SERVICES</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Income from other Services		210.29	228.45
<b>TOTAL</b>		<b><u>210.29</u></b>	<b><u>228.45</u></b>
<b>30 OTHER INCOME</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Profit on transfer of Property, Plant & Equipment		12.13	-
Other receipts		1.60	-
Rental income		3.00	3.00
<b>TOTAL</b>		<b><u>16.73</u></b>	<b><u>3.00</u></b>
<b>31 FINANCE COSTS</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Interest Paid			
-on Bank Overdraft		1.40	0.90
-on Loan		3.15	5.23
Other interest expense		1.29	1.56
<b>TOTAL</b>		<b><u>5.84</u></b>	<b><u>7.69</u></b>
<b>32 EMPLOYEE BENEFITS EXPENSES</b>			
Particulars	Ref Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Salaries, Wages and Bonus, etc.		72.52	61.88
Director's Remuneration		28.15	28.15
Staff Welfare expenses		2.88	1.89
<b>TOTAL</b>		<b><u>103.55</u></b>	<b><u>91.92</u></b>

**Notes to Financial Statements for the Year ended 31st March 2020**

33 DEPRECIATION, AMORTIZATION AND IMPAIRMENT			(Amount in Rs. lakhs)
Particulars	Ref Note No	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation on Property, Plant and Equipment	14	30.96	9.28
<b>TOTAL</b>		<u>30.96</u>	<u>9.28</u>
34 OTHER EXPENSES			(Amount in Rs. lakhs)
Particulars	Ref Note No	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Auditors Remuneration</b>			
Audit Fees		0.30	0.30
Other matters		0.40	0.40
Tax Audit Fees		0.10	0.10
Bank Commission and Charges		1.73	0.19
Business Promotion Expenses		5.26	6.25
Bad debt written off		3.59	-
Computer Consumable Expenses		0.23	0.70
Contingent Provision against Standard Assets		0.96	1.10
CSR Expense	34.1	5.00	7.20
Demat Charges		0.55	0.60
Directors' Sitting Fees		2.60	2.05
Electricity Charges		1.95	1.77
Listing & Filing Fees		5.21	2.66
Legal and Professional Fees		37.36	6.48
Membership & Subscriptions		1.18	0.92
Motor car expenses		4.07	5.11
Notice & Publication expenses		0.31	0.71
Office expense		2.18	1.69
Payment to subcontractor		150.16	180.32
Postage & Courier Charges		0.94	0.56
Printing & Stationery		1.20	1.18
Rent, Rates & Taxes		18.02	16.05
Repairs & maintenance		8.95	1.98
Software Expenses		0.23	0.24
Telephone Expenses		2.05	1.92
Tendar Fees		0.19	-
Travelling Expenses		14.43	10.99
Website Maintenance Charges		1.70	1.70
<b>TOTAL</b>		<u>270.85</u>	<u>253.15</u>
<b>34.1 Details of CSR expenditure</b>			
(a) Gross amount required to be spent by the Company during the year		9.68	7.41
(b) Amount spent during the year			
i) Construction / acquisition of any asset		-	-
ii) On purposes other than (i) above		5.00	7.20
<b>35 Segment Information as per Ind AS 108</b>			
<b>SEGMENT REVENUE</b>			
(a) Finance & Investments		1,636.34	1,466.81
(b) Other Services		210.29	228.45
(c) Other/ Unallocated		16.73	3.00
<b>Net sales income from operations</b>		<u>1,863.36</u>	<u>1,698.26</u>
<b>SEGMENT RESULTS</b>			
(a) Finance & Investments		877.68	1,236.79
(b) Other Services		38.35	34.58
(c) Other/ Unallocated		16.73	3.00
<b>Total</b>		<u>932.76</u>	<u>1,274.37</u>
Less - (i) Finance cost		5.84	7.69
(ii) Other Unallocable expenditure		-	-
<b>Profit before tax</b>		<u>926.91</u>	<u>1,266.68</u>

**Notes to Financial Statements for the Year ended 31st March 2020**

<b>SEGMENT ASSETS</b>		
(a) Finance & Investments	23,072.31	45,263.98
(b) Other Services	30.30	52.56
(c) Other/ Unallocated	90.80	20.83
<b>TOTAL SEGMENT ASSETS</b>	<b><u>23,193.41</u></b>	<b><u>45,337.37</u></b>
<b>SEGMENT LIABILITIES</b>		
(a) Finance & Investments	64.97	165.32
(b) Other Services	18.741	19.12
(c) Other/ Unallocated	-	303.35
<b>TOTAL SEGMENT LIABILITIES</b>	<b><u>83.71</u></b>	<b><u>487.79</u></b>
<b>36 EXPENDITURE IN FOREIGN CURRENCY</b>		<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
(a) Expenditure in Foreign Currency		
i. Travelling expenses	3.93	-
<b>TOTAL</b>	<b><u>3.93</u></b>	<b><u>-</u></b>
<b>37 Calculation of Earning Per Share is as follows:</b>		<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	877.30	1,262.90
Net profit for basic and diluted earnings per share	<b><u>877.30</u></b>	<b><u>1,262.90</u></b>
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)		
Number of equity shares outstanding as on 31st March	10,000,000	10,000,000
Number of equity shares considered in calculating basic and diluted EPS	10,000,000	10,000,000
c) Earnings per share (EPS) of Equity Share of Rs. 10 each:		
i) Basic (Rs.)	8.77	12.63
ii) Diluted (Rs.)	8.77	12.63
<b>38 Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures are as follows:</b>		
<b>A) Names of related parties and description of relationship</b>		
1) Subsidiary	BNK Commodities Pvt. Ltd	
2) Associates, Group Enterprises and Companies under common control	BNK Securities Pvt.Ltd. Abacus Fund Services Pvt.Ltd. Patrex Vyappar Pvt. Ltd. Multiple Infra Pvt. Ltd. Brijnath Khandelwal & Co.	
<b>2) Key Management Personnel (KMP) and their close member</b>	Mr.Ajit Khandelwal Mr.Dipendra Nath Chunder Mr.Rabindranath Mishra Ms. Khusboo Kumari Mr.Rishb Kumar Singhi	Managing Director Director Chief Financial Officer Company Secretary (Resigned w.e.f 01-12-2019) Company Secretary (Resigned w.e.f 08-06-2020 EOD)

**Notes to Financial Statements for the Year ended 31st March 2020**

B) Related Party Transactions		(Amount Rs. lakhs)				
Particulars		Holding and their close member	Associates, Group Enterprises and Companies under common control	KMP and their close member	KMP have control	Total
<b>I. TRANSACTIONS DURING THE YEAR:</b>						
<b>Remuneration paid</b>	2019-20	-	-	35.17	-	35.17
	2018-19	(-)	(-)	(36.45)	(-)	(36.45)
<b>Rent paid</b>						-
Brijnath Khandelwal & Co.	2019-20	-	5.31	-	-	5.31
	2018-19	(-)	(3.22)	(-)	(-)	(3.22)
<b>Brokerage &amp; Commission</b>						-
BNK Securities Pvt. Ltd	2019-20	-	1.12	-	-	1.12
	2018-19	(-)	(1.04)	(-)	(-)	(1.04)
<b>Interest Received</b>						-
Abacus Funds Services Pvt. Ltd	2019-20	-	3.43	-	-	3.43
	2018-19	(-)	(3.82)	(-)	(-)	(3.82)
						-
BNK Securities Pvt.Ltd	2019-20	-	0.09	-	-	0.09
	2018-19	(-)	(0.51)	(-)	(-)	(0.51)
<b>Loan Given</b>						-
BNK Securities Pvt. Ltd	2019-20	-	275.00	-	-	275.00
	2018-19	(-)	(17.65)	(-)	(-)	(17.65)
<b>Loan Refund</b>						-
BNK Securities Pvt. Ltd	2019-20	-	275.00	-	-	275.00
	2018-19	(-)	(17.65)	(-)	(-)	(17.65)
<b>II. OUTSTANDING BALANCES:</b>						
<b>Loan Given including interest</b>						
Abacus Funds Services Pvt. Ltd	2019-20	-	31.68	-	-	31.68
	2018-19	(-)	(31.68)	(-)	(-)	(31.68)
	2017-18	(-)	(32.07)	(-)	(-)	(32.07)
<b>Receivables</b>						
BNK Securities Pvt.Ltd.	2019-20	-	4.65	-	-	4.65
	2018-19	(-)	(-)	(-)	(-)	(-)
	2017-18	(-)	(-)	(-)	(-)	(-)
<b>Investments</b>						
BNK Commodities Pvt. Ltd	2019-20	-	161.00	-	-	161.00
	2018-19	(-)	(161.00)	(-)	(-)	(161.00)
	2017-18	(-)	(161.00)	(-)	(-)	(161.00)
BNK Securities Pvt.Ltd.	2019-20	-	439.69	-	-	439.69
	2018-19	(-)	(439.69)	(-)	(-)	(439.69)
	2017-18	(-)	(439.69)	(-)	(-)	(439.69)

\*Figures in brackets indicate previous year figures

**39 Post Retirement Employee Benefits**

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

**a) Defined Benefit Plans**

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Based on actuarial valuation report of the actuary, disclosures with respect to gratuity liability ascertained based on actuarial valuation carried out at the end of the year are as follows:

	Gratuity 2019-20	Gratuity 2018-19
<b>i) Change in the fair value of the defined benefit obligation:</b>		
Liability at the beginning of the year	18.97	20.29
Interest Cost	1.29	1.56
Current Service Cost	2.64	0.24
Actuarial (gain) / loss on obligations	(1.10)	1.49
Benefits paid	-	(4.62)
Liability at the end of the year	21.80	18.97



**Notes to Financial Statements for the Year ended 31st March 2020**

<b>ii) Amount Recognized in Balance Sheet</b>		
Liability at the end of the year	21.80	18.97
	21.80	18.97
<b>iii) Components of Defined Benefit Cost</b>		
Current Service Cost	2.64	0.24
Interest Cost	1.29	1.56
Net Actuarial (gain) / loss on remeasurement recognised in OCI	(1.10)	1.49
Total Defined Benefit Cost recognised in Profit and Loss and OCI	2.83	3.29
<b>iv) Balance Sheet Reconciliation</b>		
Opening Net Liability	18.97	20.29
Expenses as above	2.83	3.29
Benefits paid	-	(4.62)
Amount Recognized in Balance Sheet	21.80	18.97

<b>Particulars</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Principal Actuarial assumptions as at the Balance Sheet date		
Discount Rate	6.80%	7.70%
Salary Escalation Rate	7.00%	7.00%
Attribution Rates	5% to 1%	5% to 1%
Retirement Age	60 Years	60 Years

**Notes:**

- i) Assumptions relating to future salary increases, attrition & interest rate for discount have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

**Sensitivity analysis:**

<b>Particulars</b>	<b>(Amount in Rs. lakhs)</b>	
<b>For the year ended 31st March, 2019</b>	<b>Change in Assumption</b>	<b>Effect in Gratuity Obligation</b>
Discount Rate	+1%	17.60
	-1%	20.63
Salary Growth Rate	+1%	20.62
	-1%	17.58
Withdrawal Rate	+1%	19.02
	-1%	18.92
<b>For the year ended 31st March, 2020</b>		
Discount Rate	+1%	20.17
	-1%	23.76
Salary Growth Rate	+1%	23.74
	-1%	20.16
Withdrawal Rate	+1%	21.77
	-1%	21.84

"The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

**Estimate of expected benefit payments in future years**

<b>Particulars</b>	<b>(Amount in Rs. lakhs)</b>
	<b>Gratuity</b>
01 Apr 2020 to 31 Mar 2021	8.05
01 Apr 2021 to 31 Mar 2022	0.46
01 Apr 2022 to 31 Mar 2023	2.18
01 Apr 2023 to 31 Mar 2024	0.37
01 Apr 2024 to 31 Mar 2025	0.36
01 Apr 2024 Onwards	1.76

**Notes to Financial Statements for the Year ended 31st March 2020**

40 Tax Expenses- Current Tax Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Provision for Current Tax		20.08	80.58
		<u>20.08</u>	<u>80.58</u>

40.1 Components of Tax Expense: Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
<b>Current tax</b>			
In respect of the current year		20.08	77.91
In respect of the earlier year		-	2.67
<b>Total Current tax expense recognised in the current year</b>		<u>20.08</u>	<u>80.58</u>
<b>Deferred tax</b>			
In respect of the current year		29.53	(76.80)
Total Deferred tax expense recognised in the current year		29.53	(76.80)
<b>Total Tax expense recognised in the current year</b>		<u>49.61</u>	<u>3.78</u>

**40.2 Reconciliation of Income tax expense for the year with accounting Profit is as follows:**

Taxable Income 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. Details in this respect are as follows:

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Profit before tax		926.91	1,266.68
Income tax expense calculated at rate applicable		154.72	258.28
Less : Effect of income Exempt from taxation/ deductible for computing taxable profit			
Dividend Income (Exempt u/s 10(34))		(144.82)	(2,15.26)
Add : Effect of expenses that are not deductible in determining taxable profit			
Fair Valuation		5.77	34.46
Income not subject to tax		4.41	0.44
Income tax expense recognised in Profit and Loss		20.08	77.91

**40.3 Income tax recognised in other comprehensive income**

Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
-Changes in fair valuation of Equity Instruments		358.31	(409.33)
-Remeasurement Profit/(Loss) on defined benefits plans		(0.29)	0.39
Total income tax recognised in other comprehensive income		<b>358.02</b>	<b>(408.94)</b>
Bifurcation of the income tax recognised in other comprehensive income into			
Items that will not be reclassified to Profit or Loss		<b>358.02</b>	<b>(408.94)</b>
Items that may be reclassified to Profit or Loss		-	-

41 Components of Other Comprehensive Income Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Items that will not be reclassified to Statement of Profit and Loss			
-Changes in fair valuation of Equity Instruments		(22,074.17)	(3,041.24)
-Profit/(Loss) on derecognition of Equity Instruments		(1.61)	(17.23)
-Remeasurement profit/(loss) on defined benefits plans		1.10	(1.49)
		<u>(22,074.68)</u>	<u>(3,059.97)</u>

**42 First Time Adoption of Ind AS**

The Company has prepared the opening Balance Sheet as per Ind AS as of April 1, 2018 (the transition date), by recognising all assets and liabilities. Whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of Equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below:

## Notes to Financial Statements for the Year ended 31st March 2020

### 42.1 Mandatory Exceptions to retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

i Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

ii Classification and Measurement of financial asset

The Company has classified the financial assets as per para 4.1.2A of Ind AS 139 on the basis of the facts and circumstances that exist at the date of transition to Ind AS

iii Impairment of Financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively, however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

### 42.2 Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The company has elected to apply the following optional exemptions:

i Deemed cost for Property Plant and equipment

The company has elected to continue with carrying value of all of its property plant and equipment recognised in financial statements as at the date of transition to Ind AS measured as per previous GAAP as deemed cost on the date of transition to Ind AS

ii Investment in Subsidiary and associates

The Company has elected to measure its investments in subsidiaries and associates at previous GAAP carrying value as deemed cost on the date of transition.

iii Designation of previously recognised financial instruments

The company has designated investment in Equity Instrument as at fair value through other comprehensive income in accordance with Para 5.7.5 of Ind AS 109 on the basis of facts and circumstances that exist at the date of transition of Ind AS.

### 42.3 Reconciliation between previous GAAP and Ind AS

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(a) Reconciliation of total Equity as at 1st April, 2018 and 31st March, 2019

(b) Reconciliation of total comprehensive income for the year ended 31st March, 2019.

#### a) Equity Reconciliation

Particulars	Notes	As at March 31, 2019	(Amount in Rs.)
			(Amount in Rs. lakhs) As at April 1 2018
Total equity (shareholders' funds) under Previous GAAP		82,61.80	56,98.83
Ind AS Adjustments			
Measurement impact of Financial Instruments fair valued through profit and loss account	(a)	5.57	(3.78)
Measurement impact of Financial Instruments fair valued through Other comprehensive income	(b)	36,792.77	39,619.88
Deferred Tax impacts	(c)	(454.23)	(44.71)
Dividend declared 2017-18	(d)	-	150.00
Corporate Dividend Tax 2017-18		-	30.71
Dividend declared 2018-2019		200.00	-
Corporate Dividend Tax 2018-19		40.72	-
Others		2.96	5.94
Total adjustment to equity		<u>36,587.79</u>	<u>39,758.03</u>
Total equity as per Ind AS		<u>44,849.58</u>	<u>4,54,56.86</u>

## Notes to Financial Statements for the Year ended 31st March 2020

b) Total Comprehensive Income Reconciliation Particulars	Notes	(Amount in Rs.) For the Year ended March 31, 2019
Net profit as per previous GAAP		1,357.95
Remeasurement of defined benefit obligations recognised in OCI	(f)	(0.75)
Fair Valuation of Investments through profit and loss account	(a)	8.79
Gain/Loss on Equity instruments Classified as Fair valued through OCI.	(b)	(177.02)
Effect of Taxes on above		73.94
Net Profit as per Ind AS		1,262.90
Other Comprehensive Income (net of taxes)		(2,649.53)
Actuarial gain/ (loss) on Employees defined benefit		(1.49)
Effect of Taxes on above		(408.94)
Total Comprehensive Income as per Ind AS		(1,797.07)

### Notes:

- (a) **Classification and measurement of Financial asset Fair valued through P&L**  
Under Indian GAAP, Company accounted for its short term investment in Mutual fund and Venture Capital Fund securities measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS the company has classified these investment as FVPL as per conditions prescribed in para 4.1.2 (B) of Ind AS 109.  
At the date of transition to Ind AS, the difference between the instruments' fair value and carrying value as per Indian GAAP has been recognised in retained earnings net of related taxes.
- (b) **Classification and Measurement of Financial assets Fair valued through OCI**  
Under Indian GAAP, company accounted for its long term investments in debt securities, quoted and unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS the company has designated these investments as FVOCI as per conditions prescribed in para 4.1.2(A) in case of debt securities and as per para 5.7.5 of Ind AS 109 for Equity Shares.  
At the date of transition to Ind AS, the difference between the instruments fair value and amortised cost (for debt) or Carrying value as per Indian GAAP (for equity) has been recognised as a separate component of equity, in FVOCI reserve, net of related taxes.
- (c) Under the Previous GAAP, Deferred tax Assets in respect of carry forward of unused tax losses and unused tax credits was recognized on virtual certainty of recoverability of the same. Under Ind AS deferred tax asset in respect of carry forward of unused tax losses and unused tax credits is recognized to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. Adoption of Ind AS has resulted in change in recognition and measurement of assets and liabilities, giving rise to origination or reversal of temporary differences, accordingly deferred tax is recognized in respect of those changes, wherever applicable. Certain items of income and expenses are reclassified from profit and loss to other comprehensive income, accordingly the related deferred tax expense/ income has been reclassified from profit and loss to other comprehensive income.
- (d) Under the previous GAAP, dividends proposed by the board of directors after balance sheet date but before the approval of the Financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.
- (e) Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes measurements of defined benefit plans and fair value gains or (losses) on equity instruments. The concept of other comprehensive income did not exist under previous GAAP.
- (f) **Re-measurement gains/ losses of Defined benefits plans**  
Under Ind AS -19 Employee Benefits, actuarial gain & losses are recognised in other comprehensive income & not reclassified to profit & loss in a subsequent period. The adjustment reflects the impact for the periods subsequent to the date of transition as transfer from Profit & Loss to other comprehensive income.
- (g) **Adjustments to Statement of Cash Flow**  
There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

**Notes to Financial Statements for the Year ended 31st March 2020**
**43 DISCLOSURES ON FINANCIAL INSTRUMENTS**

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE			
					LEVEL 1	LEVEL 2	LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	27.95	27.95	-	-	-	-	-	-
-Debt Mutual Funds	542.16	-	542.16	-	542.16	-	-	542.16
Bank Balance other than Cash and Cash Equivalents	217.06	217.06	-	-	-	-	-	-
Trade Receivables	31.95	31.95	-	-	-	-	-	-
Loans	3,412.72	3,412.72	-	-	-	-	-	-
Investments								
-in Equity mutual funds	1.10	-	-	1.10	-	1.10	-	1.10
-in Equity shares (quoted)	16,829.41	-	-	16,829.41	16,829.41	-	-	16,829.41
-in Equity shares (unquoted)	875.29	875.29	-	-	-	-	875.29	875.29
Other Financial Assets	9.28	9.28	-	-	-	-	-	-
	<b>21,946.93</b>	<b>4,574.25</b>	<b>542.16</b>	<b>16,830.52</b>	<b>16,829.41</b>	<b>1.10</b>	<b>875.29</b>	<b>18,247.97</b>
<b>Financial Liabilities</b>								
Trade Payables	18.74	18.74	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	30.16	30.16	-	-	-	-	-	-
Other Financial Liabilities	0.82	0.82	-	-	-	-	-	-
	<b>49.72</b>	<b>49.72</b>	-	-	-	-	-	-

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE			
					LEVEL 1	LEVEL 2	LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	62.61	62.61	-	-	-	-	-	-
-Debt Mutual Funds	982.17	-	982.17	-	982.17	-	-	982.17
Bank Balance other than Cash and Cash Equivalent	203.39	203.39	-	-	-	-	-	-
Trade Receivables	34.31	34.31	-	-	-	-	-	-
Loans	3,028.21	3,028.21	-	-	-	-	-	-
Investments								
-in equity mutual funds	1.62	-	-	1.62	-	1.62	-	1.62
-in equity shares (quoted)	38,979.02	-	-	38,979.02	38,979.02	-	-	38,979.02
-in equity shares (unquoted)	875.29	875.29	-	-	-	-	875.29	875.29
Other Financial Assets	25.54	25.54	-	-	-	-	-	-
	<b>44,192.16</b>	<b>4,229.35</b>	<b>982.17</b>	<b>38,980.64</b>	<b>38,979.02</b>	<b>1.62</b>	<b>875.29</b>	<b>40,838.10</b>
<b>Financial Liabilities</b>								
Trade Payables	19.12	19.12	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	137.63	137.63	-	-	-	-	-	-
Other Financial Liabilities	0.80	0.80	-	-	-	-	-	-
	<b>157.55</b>	<b>157.55</b>	-	-	-	-	-	-

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE			
					LEVEL 1	LEVEL 2	LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	3.73	3.73	-	-	-	-	-	-
-Debt Mutual Funds	417.06	-	417.06	-	417.06	-	-	417.06
Bank Balance other than Cash and Cash Equivalent	190.80	190.80	-	-	-	-	-	-
Trade Receivables	165.66	165.66	-	-	-	-	-	-
Loans	2,587.34	2,587.34	-	-	-	-	-	-

**Notes to Financial Statements for the Year ended 31st March 2020**

Investments								
-in Equity mutual funds	1.62	-	-	1.62		1.62		1.62
-in Equity shares (quoted)	41,884.66	-	-	41,884.66	41,884.66			41,884.66
-in Equity shares (unquoted)	875.29	875.29	-	-			875.29	875.29
Other Financial Assets	66.11	-	-	66.11				
	<b>46,192.27</b>	<b>3,822.83</b>	<b>417.06</b>	<b>41,952.39</b>	<b>41,884.66</b>	<b>1.62</b>	<b>875.29</b>	<b>43,178.62</b>

**Financial Liabilities**

Trade Payables	110.26	110.26	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	1,503.64	1,503.64	-	-	-	-	-	-
Other Financial Liabilities	0.97	0.97	-	-	-	-	-	-
	<b>1,614.87</b>	<b>1,614.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(b) Measurement of fair values**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level I: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- The fair values of the Equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.
- The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.
- There have been no transfers between Level I and Level II for the years ended March 31, 2020 and March 31, 2019.

**(vi) Reconciliation of Level III fair value measurement is as below:**

Particulars	(Amount in Rs. lakhs)	
	As at 31.03.2020	As at 31.03.2019
Balance at the beginning of the year	875.29	875.29
Additions during the year	-	-
Sales/ write off during the year	-	-
Fair Value changes during the year	-	-
Balance at the end of the year	875.29	875.29

**(c) FINANCIAL RISK MANAGEMENT**

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**CREDIT RISK**

Credit risk is the risk of financial loss to the company if a counter-party fails to meet its contractual obligations.

**Trade receivables**

Credit risk with respect to trade receivables is limited, since the trade receivables amount is immaterial.

**Cash and cash equivalents**

The company holds cash and cash equivalents of Rs. 786.65 lacs at 31 March 2020 (31 March 2019: Rs.1248.17 lacs ; 1 April 2018: Rs. 611.59 lacs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**MARKET RISK**

"Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as equity price, interest rates etc.) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. The Company is exposed to market risk primarily related to the market value of its investments.

**Notes to Financial Statements for the Year ended 31st March 2020**
**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**Exposure to interest rate risk :**

Since the Company does not have any financial assets or financial liabilities bearing floating interest rates, any change in interest rates at the reporting date would not have any significant impact on the financial statements of the Company.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**Price Risk**
**(a) Exposure**

The Company is exposed to equity price risk arising from investments held by the Company and classified in the balance sheet either as fair value through OCI .

To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio.

The majority of the Company's equity investments are listed on the BSE or the National Stock Exchange (NSE) in India.

**(b) Sensitivity analysis - Equity price risk**

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Company's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2 %.

Particulars	Impact on Profit or loss		Impact on other components of equity	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Market Price increases by 2%	-	-	336.59	779.58
Market Price decreases by 2%	-	-	(336.59)	(779.58)

**LIQUIDITY RISK**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities

**Maturity Analysis of Financial Liabilities**
**As at March 31, 2020**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	18.74	18.74	-	-	18.74
Borrowings (Other than Debt Securities)	30.16	6.44	23.72	-	30.16
Other Financial Liabilities	0.82	0.82	-	-	0.82

**As at March 31, 2019**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	19.12	19.12	-	-	19.12
Borrowings (Other than Debt Securities)	137.63	137.63	-	-	137.63
Other Financial Liabilities	0.80	0.80	-	-	0.80

**As at April 1, 2018**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	110.26	110.26	-	-	110.26
Borrowings (Other than Debt Securities)	1,503.64	1,479.67	23.97	-	1,479.67
Other Financial Liabilities	0.97	0.97	-	-	0.97

# Notes to Financial Statements for the Year ended 31st March 2020

## 44 Maturity analysis of Assets and Liabilities :

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

PARTICULARS	As at 31.03.2020			As at 31.03.2019			As at 31.03.2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>									
(I) <b>Financial Assets</b>									
(a) Cash and Cash Equivalents	570.11	-	570.11	1,044.78	-	1,044.78	420.79	-	420.79
(b) Bank Balance other than Cash and Cash Equivalents	-	-	217.06	-	-	203.39	-	-	190.80
(c) Receivables									
(i) Trade Receivables	31.95	-	31.95	34.31	-	34.31	165.66	-	165.66
(d) Loans	-	3,412.72	3,412.72	-	3,028.21	3,028.21	-	2,587.34	2,587.34
(e) Investments	17,705.81	-	17,705.81	39,855.93	-	39,855.93	42,761.57	-	42,761.57
(f) Other Financial assets	-	9.28	9.28	-	25.54	25.54	-	66.11	66.11
	<b>18,307.87</b>	<b>3,421.99</b>	<b>21,946.93</b>	<b>40,935.02</b>	<b>3,053.76</b>	<b>44,192.16</b>	<b>43,348.02</b>	<b>2,653.45</b>	<b>46,192.27</b>
(II) <b>Non Financial Assets</b>									
(g) Inventories	-	258.22	258.22	-	265.30	265.30	-	19.53	19.53
(h) Current Tax Assets (Net)	-	78.83	78.83	-	52.88	52.88	-	34.55	34.55
(i) Deferred Tax Assets (Net)	-	25.14	25.14	-	-	-	-	28.80	28.80
(j) Property, Plant and Equipment	-	82.85	82.85	-	20.32	20.32	-	27.59	27.59
(k) Capital Work-in-progress	-	-	-	-	0.59	0.59	-	-	-
(l) Other Non Financial Assets	-	801.44	801.44	-	806.13	806.13	-	801.33	801.33
	-	1,246.48	1,246.48	-	1,145.22	1,145.22	-	911.80	911.80
<b>Total Assets</b>	<b>18,307.87</b>	<b>4,668.47</b>	<b>23,193.41</b>	<b>40,935.02</b>	<b>4,198.98</b>	<b>45,337.38</b>	<b>43,348.02</b>	<b>3,565.25</b>	<b>47,104.07</b>
<b>LIABILITIES AND EQUITY</b>									
(I) <b>Financial Liabilities</b>									
(a) Payables									
(i) Trade Payables	-	-	-	-	-	-	-	-	-
(ii) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
(iii) Total outstanding dues of creditors other than micro and small enterprises	18.74	-	18.74	19.12	-	19.12	110.26	-	110.26
(b) Borrowings (Other than Debt Securities)	6.44	23.72	30.16	137.63	-	137.63	1,479.67	-	1,503.64
(c) Other Financial Liabilities	0.82	-	0.82	0.80	-	0.80	0.97	-	0.97
	26.00	23.72	49.72	157.55	-	157.55	1,590.90	-	1,614.87
(II) <b>Non Financial Liabilities</b>									
(d) Provisions	-	30.33	30.33	-	26.54	26.54	-	26.76	26.76
(e) Deferred Tax Liabilities(Net)	-	-	-	-	303.35	303.35	-	-	-
(f) Other Non Financial Liabilities	3.66	-	3.66	0.35	-	0.35	5.58	-	5.58
	<b>3.66</b>	<b>30.33</b>	<b>33.98</b>	<b>0.35</b>	<b>329.89</b>	<b>330.24</b>	<b>5.58</b>	<b>26.76</b>	<b>32.34</b>
<b>Total Liabilities</b>	<b>29.66</b>	<b>54.04</b>	<b>83.70</b>	<b>157.90</b>	<b>329.89</b>	<b>487.79</b>	<b>1,596.48</b>	<b>26.76</b>	<b>1,647.21</b>



**Notes to Financial Statements for the Year ended 31st March 2020****45 CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

**46** The Board of Directors, at its meeting held on March 05, 2020, has declared an interim dividend of 25% (Rs 2.50 per equity share of Rs 10 each). This has resulted in a cash outflow of Rs 301.79 Lacs, inclusive of dividend distribution tax of Rs 51.79 Lacs.

**47** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAS1797

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**AJIT KHANDELWAL**  
Chairman & Managing Director  
DIN: 00416445

**MURARI LAL KHETAN**  
Director  
DIN-00009187

**RABINDRANATH MISHRA**  
Chief Financial Officer

**THIS SPACE KEPT BLANK INTENTIONALLY**

**Notes to Financial Statements for the Year ended 31st March 2020**

**Schedule of a Non-Deposit taking Non-Banking financial company as on 31-03-2020**

Information as required in terms of Paragraph 18 of Non-Banking Financial Company Non-Systemically Important Non Deposit Taking Company (Reserve Bank) Directions, 2016

Particulars	Current year (2020)		Previous year (2019)	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(Rs. in LAKHS)				
<b>Liabilities side :</b>				
1. Loans and advances availed by the NBFCs inclusive of interest accrued therein but not paid :				
(a) Debentures : Secured	NIL	NIL	NIL	NIL
Unsecured	NIL	NIL	NIL	NIL
(other than falling within the meaning of Public deposits*)	NIL	NIL	NIL	NIL
(b) Deferred Credits				
(c) Term Loans	29.95	NIL	23.97	NIL
(d) Inter-corporate Loans and Borrowing	NIL	NIL	NIL	NIL
(e) Commercial Paper NIL	NIL	NIL	NIL	
(f) Bank overdraft	0.21	NIL	113.66	NIL
<b>Assets side :</b>				
2 Break-up of Loans and Advances including bills receivables [other than those included in (3) below] :				
(a) Secured		NIL		NIL
(b) Unsecured		3412.72		3028.21
3. Break up of Leased Assets & stock on hire & other assets				
Accounting towards AFC activities :				
(I) Lease assets including lease rentals under S. Debtors :				
(a) Financial Lease		NIL		NIL
(b) Operating Lease		NIL		NIL
(II) Stock on hire including hire charges under Sundry Debtors :				
(a) Assets on hire		NIL		NIL
(b) Repossessed Assets		NIL		NIL
(III) Other Loans counting towards AFC activities				
(a) Loans where assets have been repossessed		NIL		NIL
(b) Loans other than (a) above		NIL		NIL
4. Break-up of Investments :				
Current Investments :				
1. Quoted :				
(i) Shares (a) Equity		NIL		NIL
(b) Preference		NIL		NIL
(ii) Debentures and Bonds		NIL		NIL
(iii) Units of Mutual Funds		NIL		NIL
(iv) Government Securities		NIL		NIL
(v) Others (Please specify)				NIL
2. Unquoted :				
(i) Shares (a) Equity		NIL		NIL
(b) Preference		NIL		NIL
(ii) Debentures and Bonds		NIL		NIL
(iii) Units of Mutual Funds		NIL		NIL
(iv) Government Securities		NIL		NIL
(v) Others (Please specify)		NIL		NIL
Long Term Investments :				

**Notes to Financial Statements for the Year ended 31st March 2020**

	Current year (2020)	Previous year (2019)
1. Quoted :		
(i) Shares (a) Equity	2688.18	2406.26
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others (Please specify)	NIL	NIL
2. Unquoted :		
(i) Shares (a) Equity	655.59	655.59
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	0.74	0.74
(iv) Government Securities	NIL	NIL
(v) Others (Please Specify)	NIL	NIL

(Rs. in LAKHS)  
Previous year

Particulars	Amount met of provisions			Amount met of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
5. Borrower group-wise classification of assets financed as in (2) and (3) above:						
Category						
1. Related Parties						
(a) Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
(b) Companies in the same group	NIL	31.68	31.68	NIL	31.68	31.68
(c) Other related parties	NIL	NIL	NIL	NIL	NIL	NIL
2. Other than related parties :	NIL	3,381.03	3,381.03	NIL	2,996.53	2,996.53
<b>Total</b>	<b>NIL</b>	<b>3,412.71</b>	<b>3,412.71</b>	<b>NIL</b>	<b>3,028.21</b>	<b>3,028.21</b>
6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :						
Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisions)		
1. Related Parties						
(a) Subsidiaries	94.37	161.00	93.97	161.00		
(b) Companies in the same group	816.32	464.44	793.48	464.44		
(c) Other related parties	NIL	NIL	NIL	NIL		
2. Other than related parties :	17,080.36	2,719.07	39,230.49	2,437.15		
<b>Total :</b>	<b>17,991.05</b>	<b>3,344.51</b>	<b>40,117.94</b>	<b>3,062.59</b>		

Particular	Amount	Amount
7. Other Information :		
(i) Gross Non-Performing Assets	NIL	NIL
(a) Related parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(ii) Net Non-performing Assets	NIL	NIL
(a) Related parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(iii) Assets acquired in satisfaction of debt	NIL	NIL
Total :	NIL	NIL

**NOTES :**

(The amount mentioned in the above RBI disclosures are as per the erstwhile Indian Generally Accepted Accounting Principles (IGAAP).)

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAS1797

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**AJIT KHANDELWAL**  
Chairman & Managing Director  
DIN: 00416445

**MURARI LAL KHETAN**  
Director  
DIN-00009187

**RABINDRANATH MISHRA**  
Chief Financial Officer

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of BNK Capital Markets Limited.**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated financial statements of **BNK CAPITAL MARKETS LIMITED ("the Holding Company")**, its Subsidiaries (the Holding Company and its subsidiaries together referred to as "**the Group**") and its associates which comprises the Consolidated Balance Sheet as at **March 31, 2020**, the consolidated Statement of Profit and Loss the consolidated cash flows and Statements of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Consolidated Profit including Other Comprehensive Income, its consolidated cash flows and changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

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

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

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

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

The Holding 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 consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income,

consolidated cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Group and its associates are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- to identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- to obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- to evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- to 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- to evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Other Matters

We did not audit the financial statements and other financial information, in respect of one associate for the year ended March 31, 2020. The same has been audited by other auditor which has been furnished to us by the management. Our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of the said associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report(s) of such other auditors.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliability on the work done and the reports of the other auditor and the financial statements and other financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
  - e. there are no such matters relating to financial transactions or other matters which have adverse effect on the functioning of the group;
  - f. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the

directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- g. There are no qualifications, reservation or adverse remark relating to the maintenance of the accounts and other matters connected therewith, and
- h. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure - A";
- i. As required under "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008", and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further state that:
  - i. The Company has obtained the "Certificate of Registration" from Reserve Bank of India for registration as "Non-Banking Financial Company without accepting public deposits" on 9th December, 2004 (Certificate No. B\_05.02574).
  - ii. In terms of its Assets / Income Pattern for the financial year 31st March, 2020, the Company is entitled to continue to hold such Certificate of Registration.

We further state that:

- ❖ The Board of Directors has passed a Board Resolution for the Non-acceptance of any public deposits.
- ❖ The Company has not accepted any public deposits during the year.
- ❖ 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.
- ❖ The Company is not a "Systematically Important Non Deposit taking Non-Banking Financial Company."

Our opinion is not qualified in respect of this matter; and

- j. 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), 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group and its associates do not have any pending litigations which would impact its financial position.
  - ii. In our opinion and as per the information and explanations provided to us, the Holding Company did not have any long term contracts including derivative contracts for which there were any materials foreseeable losses.
  - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, SANTOSH CHOUDHARY & ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. - 323720E)

(CA. Santosh Kumar Choudhary)  
Partner  
Membership No. - 058692  
UDIN: 20058692AAAAV8768

Place: Kolkata  
Date: 30.06.2020

**Annexure - A to the Independent Auditor's Report of even date, on the Consolidated Financial Statements of BNK Capital Markets Limited.**

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

We have audited the internal financial reporting of the Group and its associates and as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:-

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to separate financial statement of one associate, which is company incorporated in India, is based on the corresponding reports of the auditors of such associates incorporated in India.

For, SANTOSH CHOUDHARY & ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. - 323720E)

(CA. Santosh Kumar Choudhary)  
Partner  
Membership No.- 058692  
UDIN: 20058692AAAAAV8768

Place: Kolkata  
Date: 30.06.2020

**Consolidated Balance Sheet as on 31st March, 2020**

(Amount in Rs. lakhs)

Sl. No.	Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>ASSETS</b>					
<b>(I) Financial Assets</b>					
(a)	Cash and Cash Equivalents	7	641.22	1,110.81	442.56
(b)	Bank Balance other than Cash and Cash Equivalents	8	227.06	213.51	213.67
(c)	Receivables				
	Trade Receivables	9	31.95	34.35	168.26
(d)	Loans	10	3,412.72	3,028.21	2,587.34
(e)	Investments	11	17,356.87	40,087.19	43,121.44
(f)	Other Financial assets	12	39.73	55.78	122.79
			<b>21,709.55</b>	<b>44,529.87</b>	<b>46,656.07</b>
<b>(II) Non Financial Assets</b>					
(g)	Inventories	13	258.22	265.30	19.53
(h)	Current Tax Assets (Net)	14	79.06	53.37	34.87
(i)	Deferred Tax Assets(Net)	22	16.40	-	28.42
(j)	Property, Plant and Equipment	15	82.87	20.33	27.64
(k)	Capital Work-in-progress	16	-	0.59	-
(l)	Other Non Financial Assets	17	801.44	806.19	805.13
			1,238.00	1,145.79	915.59
	<b>Total Assets</b>		<b>22,947.55</b>	<b>45,675.65</b>	<b>47,571.66</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>(I) Financial Liabilities</b>					
<b>(a) Payables</b>					
(i)	Trade Payables	18			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		18.74	19.12	111.10
(b)	Borrowings (Other than Debt Securities)	19	30.16	137.63	1,503.65
(c)	Other Financial Liabilities	20	1.04	1.00	1.09
			<b>49.94</b>	<b>157.75</b>	<b>1,615.84</b>
<b>(II) Non Financial Liabilities</b>					
(d)	Current Tax Liabilities(Net)			-	
(e)	Provisions	21	30.55	26.54	26.76
(f)	Deferred Tax Liabilities(Net)	22	-	312.56	-
(g)	Other Non Financial Liabilities	23	3.66	0.35	5.58
			<b>34.22</b>	<b>339.45</b>	<b>32.34</b>
<b>(III) Equity</b>					
(h)	Equity Share Capital	24	1,000.00	1,000.00	1,000.00
(i)	Other Equity	25	21,844.35	44,123.53	44,851.31
			22,844.35	45,123.53	45,851.31
<b>(IV) Non Controlling Interest</b>					
			<b>19.03</b>	<b>54.91</b>	<b>72.18</b>
	<b>Total Liabilities and Equity</b>		<b>22,947.55</b>	<b>45,675.65</b>	<b>47,571.66</b>

The Notes to Account forms integral part of Financial Statements 1- 49

As per our report of even date

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAV8768

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**AJIT KHANDELWAL**  
 Chairman & Managing Director  
 DIN: 00416445

**MURARI LAL KHETAN**  
 Director  
 DIN-00009187

**RABINDRANATH MISHRA**  
 Chief Financial Officer

**Consolidated Statement of Profit & Loss for the year ended 31st March, 2020**

SI. No.	Particulars	Note No	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
	<b>Revenue from Operations</b>			
	Interest Income	26	347.96	301.18
	Dividend Income	27	872.32	1,058.95
	Net gain on fair value changes	28	41.60	41.27
	Sale of Shares & Securities	29	384.23	72.96
	Sale of Services	30	210.29	228.45
(I)	<b>Total Revenue from Operations</b>		<b>1,856.40</b>	<b>1,702.81</b>
	Other Income	31	16.73	3.01
(III)	<b>Total Income (I + II)</b>		<b>1,873.14</b>	<b>1,705.82</b>
	<b>Expenses</b>			
	Finance Costs	32	5.84	7.69
	Purchase of Shares & Securities		518.17	315.30
	Change in inventories of stock-in-trade		7.09	(245.77)
	Employee Benefits Expenses	33	105.55	93.93
	Depreciation, amortization and impairment	34	30.96	9.31
	Other Expenses	35	273.04	256.57
(IV)	<b>Total Expenses</b>		<b>940.65</b>	<b>437.04</b>
(V)	Profit before tax (III - IV)		932.49	1,268.78
(VI)	<b>Tax Expenses</b>	41		
	(i) Current Tax		20.50	77.91
	(ii) Deferred Tax		29.50	(77.07)
	(iii) Tax Adjustments for earlier Years		-	2.67
			50.00	3.50
(VII)	Share of Equity Accounted Investee		(231.66)	(23.33)
(VII)	Profit after tax (V - VI+VII)		<b>650.83</b>	<b>1,241.95</b>
(VIII)	<b>Other Comprehensive Income</b>	42		
	(i) Items that will not be reclassified to Profit or Loss			
	-Changes in fair valuation		(22,521.28)	(2,663.27)
	-Profit/(Loss) on derecognition		(1.00)	(16.81)
	-Remeasurement profit/(loss) on defined benefits plans		1.10	(1.49)
	(ii) Income Tax relating to above		358.46	(418.06)
	(iii) Share of Equity Accounted Investee		(260.74)	(74.69)
	Total Other Comprehensive Income (i - ii)		<b>(22,423.46)</b>	<b>(3,174.33)</b>
(IX)	Total Comprehensive Income for the period (VII + VIII)		<b>(21,772.63)</b>	<b>(1,932.38)</b>
(X)	<b>Profit after Tax attributable to</b>			
	Equity Holder of the Company		2.94	(0.04)
	Non Controlling Interest		2.25	(0.03)
(XI)	<b>Other Comprehensive Income attributable to</b>			
	Equity Holder of the Company		(49.91)	(22.56)
	Non Controlling Interest		(38.13)	(17.23)
(XII)	<b>Total Comprehensive Income attributable to</b>			
	Equity Holder of the Company		(46.97)	(22.60)
	Non Controlling Interest		(35.88)	(17.27)
(XIII)	<b>Earnings per equity share</b>			
	- Basic (Rs.)	38	6.51	12.42
	- Diluted (Rs.)		6.51	12.42

The Notes to Account forms integral part of Financial Statements

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAV8768

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**AJIT KHANDELWAL**  
 Chairman & Managing Director  
 DIN: 00416445

**MURARI LAL KHETAN**  
 Director  
 DIN-00009187

**RABINDRANATH MISHRA**  
 Chief Financial Officer



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

Particulars	(Amount in Rs. lakhs)	
	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	932.49	1,268.78
<b>Add :</b> Depreciation and amortisation expenses	30.96	9.31
Provision Standard Assets	0.96	1.10
	<u>31.92</u>	<u>10.41</u>
	964.40	1,279.19
<b>Less:</b> Interest Income on Fixed Deposit	15.16	13.98
Dividend Income from Investments	872.32	1,058.95
Interest Income on Bonds	0.16	0.16
Net gain/(loss) on sale of PPE	12.13	-
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	2.75	7.47
Interest paid	(5.84)	(7.69)
	<u>896.69</u>	<u>1,072.87</u>
Operating Profit before Working Capital changes	67.71	206.32
(Increase)/ Decrease in loans and advances and other assets	(354.64)	(366.01)
(Increase)/ Decrease in inventory	7.08	(245.76)
(Increase)/ Decrease in trade receivable	2.36	133.91
Increase/ (Decrease) in trade Payable	(0.38)	(91.98)
Increase/ (Decrease) Liabilities/ Provisions	6.59	(6.64)
	<u>(339.00)</u>	<u>-</u>
<b>Cash generated from Operations</b>	<u>(271.29)</u>	<u>(370.16)</u>
<b>Less:</b> Direct Taxes paid (Net)	55.26	110.44
<b>Net cash flow from Operating activities</b>	<u>(326.55)</u>	<u>(480.60)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(92.91)	(2.60)
Interest Income on Bonds	0.16	0.16
Net gain/(loss) on sale of PPE	12.13	-
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	2.75	7.47
Sale/(Purchase) of current investments	(283.34)	254.61
Dividend paid	(450.00)	(150.00)
Corporate dividend tax	(92.51)	(30.71)
Interest paid	(5.84)	(7.69)
Interest received on Fixed Deposits	15.16	13.98
Dividend received	872.32	1,058.95
	<u>(22.07)</u>	<u>1,144.18</u>
<b>Net Cash flow from Investing activities</b>	<u>(22.07)</u>	<u>1,144.18</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	(107.47)	4.49
	<u>(107.47)</u>	<u>4.49</u>
<b>Net cash flow from Financing activities</b>	<u>(107.47)</u>	<u>4.49</u>
<b>Cash and Cash equivalents (A+B+C)</b>	<u>(456.09)</u>	<u>668.07</u>
<b>Cash and Cash equivalents as at 1st April</b>	1,324.32	656.24
<b>Cash and Cash equivalents as at 31st March</b>	<u>868.28</u>	<u>1,324.32</u>

The Notes to Account forms integral part of Financial Statements 1- 49

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

Note :

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.
2. Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	(Amount in Rs. lakhs)	
	As on 31st March, 2020	As on 31st March, 2019
Balances with banks:		
In current accounts	32.51	72.10
In fixed deposits	227.06	213.51
Cash on hand	1.27	1.15
Cash in liquid fund	607.44	1,037.57
	<b>868.28</b>	<b>1,324.32</b>

3. There is no change in Company's liabilities arising from Financing Activities

As per our report of even date  
FOR SANTOSH CHOUDHARY & ASSOCIATES

Chartered Accountants  
Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner  
Membership No.058692  
UDIN : 20058692AAAAAV8768

Place: Kolkata  
Dated: 30th June, 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**AJIT KHANDELWAL**  
Chairman & Managing Director  
DIN: 00416445

**MURARI LAL KHETAN**  
Director  
DIN-00009187

**RABINDRANATH MISHRA**  
Chief Financial Officer

THIS SPACE KEPT BLANK INTENTIONALLY

**Statement of Changes in Equity for the year ended 31st March, 2020**
**(i) Equity Share Capital**

Particulars	Amount in Rs. Lakhs
<b>Balance as at April 1, 2018</b>	1,000.00
Changes during the year	-
<b>Balance as at March 31, 2019</b>	1,000.00
Changes during the year	-
<b>Balance as at March 31, 2020</b>	1,000.00

**(ii) Other Equity**
**As at March 31, 2020**

Particulars	Profit & Loss	Securities Premium	General Reserve	Revenue & Surplus			Total
				Capital Reserve	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Other Comprehensive Income Reserve	
<b>Balance as at March 31, 2019</b>	1,257.68	1,230.00	4,193.71	159.30	1,061.36	36,221.48	44,123.53
Profit for the year	650.83	-	-	-	-	-	650.83
Other Comprehensive Income	-	-	-	-	-	(22,423.46)	(22,423.46)
Adjustment on account of Consolidation	35.88	-	-	-	-	-	35.88
Reclassification of gain on sale of FVOCI equity instrument	1.73	-	-	-	-	(1.73)	-
Final Dividend for Financial Year 2018-19	(200.00)	-	-	-	-	-	(200.00)
Interim Dividend	(250.00)	-	-	-	-	-	(250.00)
Corporate Dividend Tax	(92.51)	-	-	-	-	-	(92.51)
Transferred from Retained earnings to Special Reserve	(175.46)	-	-	-	175.46	-	-
Transferred from Retained earnings to General Reserve	(300.00)	-	300.00	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>928.15</b>	<b>1,230.00</b>	<b>4,493.71</b>	<b>159.30</b>	<b>1,236.82</b>	<b>13,796.29</b>	<b>21,844.27</b>

**As at March 31, 2019**

Particulars	Profit & Loss	Securities Premium	General Reserve	Revenue & Surplus			Total
				Capital Reserve	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Other Comprehensive Income Reserve	
<b>Balance as at April 1, 2018</b>	875.64	1,230.00	2,223.21	159.30	789.77	39,573.39	44,851.31
Profit for the year	1,241.95	-	-	-	-	-	1,241.95
Other Comprehensive Income	-	-	-	-	-	(3,174.33)	(3,174.33)
Adjustment on account of Consolidation	17.27	-	-	-	-	-	17.27
Adjustment for earlier years	(2.45)	-	-	-	-	-	(2.45)
Reclassification of gain on sale of FVOCI equity instrument	177.58	-	-	-	-	(177.58)	-
Final Dividend for Financial Year 2017-18	(150.00)	-	-	-	-	-	(150.00)
Corporate Dividend Tax	(30.71)	-	-	-	-	-	(30.71)
Transferred from Retained earnings to Special Reserve	(271.59)	-	-	-	271.59	-	-
Transferred from Retained earnings to General Reserve	(600.00)	-	1,970.50	-	-	-	1,370.50
<b>Balance as at March 31, 2019</b>	<b>1,257.68</b>	<b>1,230.00</b>	<b>4,193.71</b>	<b>159.30</b>	<b>1,061.36</b>	<b>36,221.48</b>	<b>44,123.53</b>

Refer Note no. 25 for nature and purpose of reserves.

The Notes to Account forms integral part of Financial Statements 1-49

As per our report of even date

**FOR SANTOSH CHOUDHARY & ASSOCIATES**

Chartered Accountants

Firm Registration.No. 323720E

**(CA. SANTOSH KUMAR CHOUDHARY)**

Partner

Membership No.058692

UDIN : 20058692AAAAAV8768

Place: Kolkata

Dated: 30th June, 2020

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**AJIT KHANDELWAL**  
 Chairman & Managing Director  
 DIN: 00416445

**MURARI LAL KHETAN**  
 Director  
 DIN-00009187

**RABINDRANATH MISHRA**  
 Chief Financial Officer

## Notes To Consolidated Financial Statements For The Year Ended 31st March, 2020

### 1 Background information

BNK Capital Markets Limited CIN:L34202WB1986PLC040542 is a Public limited Company domiciled in India and incorporated under the Companies Act, 1956. BNK Capital Markets Limited is registered under the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company and is primarily engaged in investment activities. Its shares are listed on the BSE Limited and The Calcutta Stock Exchange Limited in India.

These consolidated financial statements of the Group also include the Group's interest in associates.

The consolidated financial statements of the Group as on 31st March, 2020 were approved and authorised for issue by the Board of Directors on June 30, 2020.

The national lockdown announced on March 23, 2020 owing to the COVID-19 pandemic affected activities of organizations across the economic ecosystem, impacting earning prospects and valuations of companies and creating volatility in the stock markets. The resultant impact on the fair value of the investments held by the Company are reflected in the Total Comprehensive Income and Total Equity of the Company for the year ended March 31, 2020, in line with the Accounting Policy consistently followed by the Company.

The future income from investments and the valuations of investee companies would depend on the global economic developments in the coming months and the resumption of activity on gradual relaxation of Lockdowns. Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the balance sheet of the Company has adequate liquidity to service its obligations and sustain its operations.

### 2 Statement of Compliance with Ind AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time with effect from 1st April, 2019.

For all periods upto and including the year ended 31st March, 2019, the Group prepared its financial statements in accordance with the requirements of the accounting standards notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

These Consolidated financial statements for the year ending 31st March, 2020 are the first Consolidated financial statements that the Group has prepared under Ind AS. The date of transition to Ind AS is April 1, 2018 and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Group has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at April 1, 2018 and March 31, 2019, total comprehensive income and cash flow for the year ended March 31, 2019.

### 3 Basis of Preparation of Financial Statements

The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, unless otherwise indicated.

### 4 Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entity controlled by the Company i.e. its subsidiary. It also includes the Group's share of profits, net assets and retained post acquisition reserves of associates that are consolidated using the equity method of consolidation.

Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

#### 4.1 Subsidiary Company

The Group combines the financial statements of the parent and its subsidiary company line-by line adding together like items of assets, liabilities, equity,

income and expenses. The intra group balances and intra group transactions between the entities within the Group are fully eliminated.

Non Controlling interests in the results and equity of subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

The Consolidated Financial Statements include the share of profits / (losses) of the Associate companies which have been accounted as per the 'Equity method', and accordingly, the share of profits / (losses) of each of the Associate companies has been added to the cost of investments.

The deficit of cost to the parent company of its investments in the subsidiary company over its share of equity of the Subsidiary company at the dates on which the investments in the Subsidiary company are made, is recognised as 'Capital Reserve' being an equity in the Consolidated Financial statements.

#### 4.2 Associate Company

Associates are those entities over which the Group has significant influence, but not control or joint control. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences, and thereafter to recognise the Group's share of post acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in other comprehensive Income. Dividend received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

The Financial Statements of the Subsidiary and Associates used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March 2020

#### 4.3 Information on Subsidiary and Associate Companies

The following Subsidiary company and Associates are considered in the Consolidated Financial Statements:

Name of the Company	Relation ship	Country of Incorporation	% Holding as on 31.3.2020	% Holding as on 31.3.2019
BNK Commodities Private Limited	Subsidiary	India	56.69%	56.69%
BNK Securities Private Limited	Associate	India	36.34%	36.34%

#### 5 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant & equipment, useful lives of property, plant & equipment, provisions and contingent liabilities and long term retirement benefits.

#### 6 Significant Accounting policies

##### 6.1 Revenue /Income recognition

- (a) **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. This is generally when the shareholders or Board of Directors approve the dividend. Revenue is measured at the fair value of consideration received or receivable.

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.

- (b) **Other Income:** The Company recognises other income on accrual basis as it becomes due.
- (c) **Sale of service:** Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably.
- (d) **Sale of goods:** Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer
- (e) **Insurance and other claims / refunds:** Revenue, due to uncertainty in realisation is accounted for on acceptance / actual receipt basis.

## 6.2 Property, Plant and Equipment and Intangible Assets

Property, plant and equipment and intangible assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes all expenses incidental to the acquisition of the Property, plant and equipment and intangible assets and any attributable cost of bringing the asset to its working condition for its intended use.

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

### (a) Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount on the date of transition to Ind AS i.e. April 1, 2018.

### (b) 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 property, plant and equipment outstanding at each Balance Sheet date are disclosed in Other Non-Financial Assets.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful life prescribed in Schedule II to the Companies Act, 2013.

Property plant and equipment's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

## 6.3 Financial Instruments

### (a) Classification

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instruments of another entity.

Financial assets, other than equity, are classified into, Financial assets at fair value through other comprehensive income (FVOCI) or fair value through profit and loss account (FVTPL) or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVOCI. Financial liabilities are classified as amortised cost category and FVTPL.

Business Model assessment and Solely payments of principal and interest (SPPI) test:

Classification and measurement of financial assets depends on the business model and results of SPPI 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 business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

### (b) Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial assets and financial liabilities are initially measured at fair value.

Financial assets and financial liabilities, with the exception of loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and deposits are recognised when the funds are transferred to the customers account. Trade receivables are measured at the transaction price.

### (c) Subsequent measurement

Financial assets at amortised cost

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

### (d) Debt Instruments at FVOCI

Debt instruments that are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long-term investments made by the Company. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

### (e) Equity Instruments at FVOCI

These include financial assets that are equity instruments as defined in Ind AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designate the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to Profit or Loss.

Dividends from these equity investments are recognised in the statement of profit and loss when the right to receive the payment has been established.

**(f) Fair value through Profit and Loss account**

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

**6.4 Financial Liabilities and equity instruments**

**(a) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**(c) Other Financial Liabilities**

These are measured at amortised cost using effective interest rate.

**(d) Derecognition of Financial assets and Financial liabilities**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

**(e) Impairment of financial assets**

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost or fair value through OCI. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

**(f) Reclassification of Financial assets**

The company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the company changes its business model for managing such financial assets.

**6.5 Determination of fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

**6.6 Investment in subsidiaries and associates**

The company has chosen to carry the Investments in associates and subsidiaries at cost less impairment, if any in the separate financial statements.

**6.7 Foreign currency transactions and translation**

The financial statements of the Company are presented in Indian rupees (Rs.), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Exchange differences arising on the retranslation or settlement of monetary items are included in the statement of profit and loss for the period.

**6.8 Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

**6.9 Inventories**

The Company makes trading in Equity Shares of companies listed over stock exchanges in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

**6.10 Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Profit and Loss as other gains/(losses).

**6.11 Provision, Contingent Liabilities and Contingent Assets, legal or constructive**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

## 6.12 Employee Benefits

### (a) Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

### (b) Post-employment Benefit Plans

Post retirement benefits like provident fund, superannuation, gratuity and post retirement medical benefits are provided for as below :

### (c) Defined Contribution Plans

Contributions under Defined Contribution Plans i.e. provident fund & superannuation fund are recognised in the Statement of Profit and Loss in the period in which the employee has rendered the service (if any).

### (d) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

## 6.13 Impairment of non-financial assets

"The carrying amounts of the Company's property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place."

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

## 6.14 Segment Reporting

### (a) Identification of segment

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

### (b) Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

## 6.15 Income Tax

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws, enacted or substantially enacted as at the balance sheet date.

Taxable profit differs from net profit as reported in the Standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred income tax assets and liabilities are recognised for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements and is accounted for using the balance sheet liability method.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantially enacted as of 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 effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit and Loss as current tax for the year.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a Group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

## 6.16 Leases

Ind AS 116 defines a lease term as the non -cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

## 6.17 Recent Accounting Developments

### (a) Standards issued but not yet effective:

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

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

7 CASH AND CASH EQUIVALENTS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand		1.27	1.15	1.34
Balances with banks:				
In current accounts		32.51	72.10	10.29
Cash in liquid fund	7.1	607.44	1,037.57	430.94
<b>TOTAL</b>		<b>641.22</b>	<b>1,110.81</b>	<b>442.56</b>

7.1 Mutual funds have been measured at fair value through profit & loss.

8 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Bank Balance in				
Fixed Deposit with bank	8.1	227.06	213.51	213.67
<b>TOTAL</b>		<b>227.06</b>	<b>213.51</b>	<b>213.67</b>

\*Pledged against Bank Overdraft facility availed from a Bank.

9 TRADE RECEIVABLES Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured, Considered Good				
Others	9.1	31.95	34.35	168.26
<b>TOTAL</b>		<b>31.95</b>	<b>34.35</b>	<b>168.26</b>

9.1 Trade receivable includes amount due from a related party Rs. 4.65 Lakhs (March 31, 2019 : Rs. NIL and April 01, 2018 : Rs. NIL)

10 LOANS Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured				
Loans given to Corporates other than Associates Companies		3,381.03	2,996.53	2,555.26
Loans and advances to related parties		31.68	31.68	32.07
<b>TOTAL</b>		<b>3,412.72</b>	<b>3,028.21</b>	<b>2,587.34</b>



## Notes to Consolidated Financial Statements for the Year ended 31st March 2020

### 11 INVESTMENT

Particulars	Refer Note No	Nominal Value/ Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
			Number/ Unit	Amount	Number/ Unit	Amount	Number/ Unit	Amount
(Amount in Rs. lakhs)								
<b>I. Measured at fair value through other comprehensive income</b>								
<b>i) Quoted equity shares</b> 10.1 & 10.2								
Aban Offshore Ltd.		₹ 2	1,000	0.14	1,000	0.58	1,000	1.59
Aditya Birla Capital Ltd.		₹ 10	5,000	2.11	5,000	4.88	5,000	7.29
Adani Ports & Special Economic Zone Ltd.		₹ 2	100	0.25	100	0.38	100	0.35
Arihant Impex Ltd.		₹ 10	20,000	-	20,000	-	20,000	-
Adroit Infotech Pvt Ltd.		₹ 10	66	0.00	66	0.01	66	0.02
Astra Microwave Products Ltd		₹ 2	500	0.26	500	0.49	500	0.38
Auro Pharma Ltd.		₹ 1	-	-	-	-	1,000	5.57
Axiscades Engineering Technologies Ltd.		₹ 5	4,000	1.11	4,000	2.45	4,000	5.56
Balasure Alloys Ltd.		₹ 5	31,500	2.27	31,500	7.25	31,500	14.69
Bharat Earth Movers Ltd.		₹ 10	44	0.20	44	0.45	44	0.46
Bhansali Engineers Polymers Ltd.		₹ 1	1,000	0.29	1,000	0.73	1,000	1.70
Bharat 22 (Exchange traded fund) - Industrial Credit and Investment Corporation of India Prudential Asset Management Co.		₹ 10	-	-	-	-	25,000	8.74
Bharat pipes & fittings		₹ 10	20,000	-	20,000	-	20,000	-
BJ Duplex Boards Ltd.		₹ 10	1,000	0.01	1,000	0.01	1,000	0.05
Bodal Chemical Ltd.		₹ 2	1,000	0.42	1,000	1.27	1,000	1.22
Bhoruka Aluminium Limited		₹ 10	25,000	-	25,000	-	25,000	-
Century Enka Ltd.		₹ 10	1,500	1.78	1,500	3.78	1,500	4.52
CESC Ltd.		₹ 10	2,902,514	11,002.91	2,902,514	21,117.24	2,902,514	28,086.18
CFL Capital Financial Services Ltd.		₹ 10	3,439,832	-	3,439,832	-	3,439,832	-
CESC Ventures Ltd.		₹ 10	580,502	650.87	580,502	3,617.40	-	-
CNI Research Ltd.		₹ 1	5,000	0.09	5,000	0.10	5,000	0.14
Coromandel Engineering Ltd.		₹ 10	1,000	0.12	1,000	0.29	1,000	0.48
Elgi Equipments Ltd.		₹ 1	50	0.06	50	0.12	50	0.13
Emami Infra. Ltd.		₹ 2	1,000	0.28	1,000	1.15	1,000	2.40
Enkay Texofood Industries Ltd.		₹ 10	2,000	0.20	2,000	0.20	2,000	0.20
Enso Secutrack Ltd.		₹ 10	4,000	0.25	4,000	0.25	4,000	0.25
Essel Propack Ltd.		₹ 2	31	0.05	150	0.18	75	0.18
Gujrat Narmada Valley Fertilizers and Chemicals Ltd.		₹ 10	-	-	-	-	1,000	3.64
Gujarat Mineral Development Corp.Ltd.		₹ 2	1,000	0.31	1,000	0.82	1,000	1.23
GV Films Ltd.		₹ 1	2,500	0.01	2,500	0.01	2,500	0.02
GVK Power & Infrastructure Ltd.		₹ 1	51,250	1.15	51,250	3.96	51,250	7.25
Gwallor Strips Ltd.		₹ 10	1,000	-	1,000	-	1,000	-
Halmark Drug & Chem Ltd.		₹ 10	5,000	-	5,000	-	5,000	-
Hendez Electronics Ltd.		₹ 10	300	-	300	-	300	-
Hind Composite Ltd.		₹ 5	74,316	80.41	14,024	29.91	414	1.63
Hitech Plast Ltd		₹ 10	500	0.24	500	0.54	500	0.71
Indiabulls Ventures Ltd. (Partly Paidup)		₹ 2	2,343	0.71	2,343	0.05	2,343	2.06
Indiabulls Ventures Ltd.		₹ 2	3,157	3.41	3,157	10.27	10,000	24.25
Indian Oil Corporation Ltd.		₹ 10	1,466	1.20	1,466	2.39	2,000	3.53
Indsil Hydro Power & Maganese Ltd.		₹ 10	3,333	0.28	3,333	2.07	3,333	5.53
Intellect Design Arena Ltd.		₹ 5	450	0.24	450	0.92	450	0.74
Jay Bharat Fabric Ltd.		₹ 10	10,000	-	10,000	-	10,000	-
IRB Invit Fund		₹ 102	10,000	2.55	10,000	6.67	-	-
Jayshree Nirman Ltd.		₹ 10	46,000	4.60	46,000	4.60	46,000	6.33
JL Morision (India) Ltd.		₹ 10	14,300	214.50	3,850	53.94	3,850	51.01
Kanika Infrastructure & Power Ltd.		₹ 1	500	0.00	500	0.00	500	0.00
Kanel Oil Export Ltd.		₹ 10	1,100	-	1,100	-	1,100	-
Karnatka Bank Ltd.	10.3	₹ 10	2,200	0.93	2,000	2.67	2,000	2.30
Manapuram Finance Ltd.		₹ 2	-	-	-	-	2,000	2.19
Mardia Steel Ltd.		₹ 10	600	0.06	600	0.06	600	0.06
Mercator Ltd.		₹ 1	10,000	0.05	10,000	0.69	10,000	3.47
Mura Black India Ltd.		₹ 10	300	-	300	-	300	-
Morganite Crucible India Ltd.		₹ 10	50	0.71	50	0.72	-	-
Nagarjuna Fertilizer and Chemicals Ltd.		₹ 10	1,540	0.05	1,540	0.11	1,540	0.24

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

Nagarjuna Oil Refinery Ltd.	₹ 1	1,400	0.01	1,400	0.00	1,400	0.05
NHPC Ltd.	₹ 10	88,960	2.79	88,960	22.02	88,960	24.60
Nihar Info Global Ltd.	₹ 10	25,000	0.75	25,000	2.61	25,000	3.48
Nutraplus India Ltd.	₹ 5	10,000	0.54	-	-	-	-
One Point One Solution Ltd.	10.3 ₹ 10	6,000	0.79	4,000	2.21	4,000	2.76
Orchid Pharma Ltd.	₹ 10	300	0.67	300	0.02	300	0.03
Origion Agro Star Ltd.	₹ 10	3,600	0.14	3,600	0.14	3,600	0.14
ONGC Ltd.	₹ 5	10,000	6.83	-	-	-	-
Padmini Technologies Ltd.	₹ 10	2,500	0.25	2,500	0.25	2,500	0.25
Phillips Carbon Black Ltd.	₹ 10	3,733,790	2,342.79	3,733,790	6,595.74	746,758	8,119.50
Pennar Aluminium Company Ltd.	₹ 10	15,000	0.03	15,000	0.03	15,000	0.03
Polaris Consulting & Services Ltd.	₹ 5	-	-	-	-	450	2.11
Protchem Industries Ltd.	₹ 10	2,500	0.03	2,500	0.03	2,500	0.03
Punjab National Bank Gifts Ltd.	₹ 10	6,666	1.60	6,666	2.12	6,666	2.31
Rallis India Ltd	₹ 1	500	0.88	500	0.83	500	1.18
Rasoi Ltd.	₹ 200	-	-	-	-	749	271.14
Reliance Power Ltd.	₹ 10	3,270	0.04	3,270	0.37	3,270	1.18
Sanghi Polyester Ltd.	₹ 10	4,700	0.47	4,700	0.47	4,700	0.47
Saregama India Ltd.	₹ 10	817,720	1,330.03	817,720	4,842.95	817,720	5,378.96
Shoppers Stop Ltd.	₹ 5	1,000	1.93	1,000	4.71	1,000	5.29
Stiefel Und Schuh Ltd.	₹ 10	2,100	-	2,100	-	2,100	-
Steel Strips Infrastructures Ltd..	₹ 10	6,000	-	6,000	-	6,000	-
Spencer's Retail Ltd.	₹ 5	1,741,508	1,238.33	1,741,508	2,789.03	-	-
Tata Steel Ltd.	₹ 10	689	1.86	689	3.59	689	3.93
Tata Steel Ltd. (Partly paid up)	₹ 3	76	0.02	76	0.05	76	0.11
Texmaco Infrastructure & Holding Ltd.	₹ 10	5,000	1.55	5,000	2.83	5,000	3.07
The Supreme India Ltd.	₹ 2	500	4.34	-	-	-	-
TV18 Broadcast Ltd.	₹ 2	2,000	0.31	2,000	0.71	2,000	1.34
State Bank of India Cards & Pay Services Ltd.	₹ 10	183	1.13	-	-	-	-
Suzlon energy Ltd	₹ 2	10,000	0.20	10,000	0.62	10,000	1.07
Valiant Communication Ltd.	₹ 10	10,000	1.86	10,000	2.80	10,000	5.44
Varun Global Ltd.	₹ 1	14,850	0.15	14,850	0.15	14,850	0.15
Varun Resources Ltd.	₹ 1	59,400	0.59	59,400	0.59	59,400	0.59
Welspun Enterprises Ltd.	₹ 10	1,500	0.61	1,500	1.59	1,500	2.12
Yes Bank Ltd.	₹ 10	-	-	-	-	1,000	3.05
		<b>16,916.59</b>		<b>39,156.01</b>		<b>42,092.67</b>	
<b>ii) In Units of Mutual Fund</b>							
Unit Trust of India Master Share		5,000	1.10	5,000	1.62	5,000	1.62
			<b>1.10</b>		<b>1.62</b>		<b>1.62</b>
<b>ii) In Bonds</b>							
2.75% SGB 2016-17 SERIES I 2024 -18615		100	4.00	100	2.99	100	2.78
2.5% SGB 2016-17 Series III - 18850		100	3.98	100	2.97	100	2.76
			<b>7.98</b>		<b>5.96</b>		<b>5.54</b>
<b>iii) Unquoted Equity Shares</b>							
Bliss Stock Brokers Pvt Ltd.	₹ 10	180,000	238.72	180,000	238.72	180,000	238.72
Fermanite Nicco Services Ltd.	₹ 10	10	-	10	-	10	-
Gujarat Securities Ltd.	₹ 10	10,000	0.26	10,000	0.26	10,000	0.26
Zeon Synthetics Ltd.	₹ 10	120,000	10.86	120,000	10.86	120,000	10.86
			<b>249.85</b>		<b>249.85</b>		<b>249.85</b>
<b>iv) Unquoted Equity Shares - Group Company</b>							
Multiple Infra Pvt Ltd.	₹ 10	22,500	24.75	22,500	24.75	22,500	24.75
			<b>24.75</b>		<b>24.75</b>		<b>24.75</b>
<b>II. Measured at cost</b>							
<b>i) Associates</b>							
BNK Securities Pvt Ltd. (2,544 equity shares of Rs. 10,000 each)							
Carrying value at the beginning of the year			649.00		747.02		747.02
Add: Share of Profit			-492.40		-98.02		747.02
Carrying value at the end of the year			156.60		649.00		-
<b>ii) In Subsidiary Company Equity Shares</b>							
BNK Commodities Pvt.Ltd.	₹ 10	-	-	-	-	-	-
<b>TOTAL</b>			<b>17,356.87</b>		<b>40,087.19</b>		<b>43,121.44</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

10.1 The company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested in leaders in sectors, which it believes to have potential to remain accretive over the long term.

10.2 During the current or previous reporting periods the company has not reclassified any investments since its initial classification.

10.3 There have been changes in the quantity /facevalue/the name of the Companies due to their respective various corporate restructuring activities.

**12 OTHER FINANCIAL ASSETS**

Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As on 1st April, 2020	As on 1st April, 2019	As on 1st April, 2018
Deposit with Exchange		30.45	30.24	56.68
Security & Earnest Money Deposits		9.28	25.54	66.11
<b>TOTAL</b>		<b>39.73</b>	<b>55.78</b>	<b>122.79</b>

**13 INVENTORIES**

Particulars	Refer Note No	Nominal Value/Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
			Number/Unit	Amount	Number/Unit	Amount	Number/Unit	Amount
63 moons technologies Ltd.		₹ 2	-	-	2,000	1.62	2,000	1.67
Ess Dee Aluminium Ltd.		₹ 10	1,000	0.10	1,000	0.16	1,000	0.17
Eveready Industries Ltd.		₹ 10	6,000	2.99	54,779	105.53	-	-
Filatex India Ltd.		₹ 10	-	-	-	-	2,000	3.26
Fortis Healthcare Ltd.		₹ 10	10,000	12.61	10,000	13.58	-	-
GKB Ophthalmics Ltd.		₹ 10	1,000	0.10	1,000	0.93	-	-
Gujarat Fluorocluorochemicals Ltd.		₹ 10	7,500	21.75	7,500	82.85	-	-
Goblin India Ltd.		₹ 10	80,000	39.96	-	-	-	-
Gujarat Fluorochemicals Ltd.		₹ 1	7,500	6.08	-	-	-	-
Housing Development Finance Corp. Ltd.		₹ 10	1,000	23.82	-	-	-	-
Industrial Finance Corporation of India Ltd.		₹ 1,000,000	1	10.00	1	10.00	1	10.00
JK Paper Ltd.		₹ 10	-	-	-	-	1,000	1.49
Kwality Ltd.		₹ 10	-	-	-	-	1,000	0.08
National Buildings Construction Corp. (India) Ltd.		₹ 1	2,500	0.41	-	-	-	-
Omaxe Ltd.		₹ 10	64000	97.82	-	-	-	-
Precision Camshafts Ltd.		₹ 10	1,000	0.25	1,000	0.59	1,000	0.60
SBI Cards & Pay Services Ltd.		₹ 10	1530	9.46	-	-	-	-
Snowman Logistics Ltd.		₹ 10	5,000	1.58	5,000	1.65	-	-
Trident Ltd.		₹ 10	-	-	-	-	2,500	1.77
Vipul Organics Ltd.		₹ 10	15,000	13.85	5,000	9.01	-	-
Vodafone Idea Ltd		₹ 10	50,000	1.61	-	-	-	-
Vakrangee Ltd.		₹ 10	-	-	-	-	1,000	0.50
Yes Bank Ltd.		₹ 2	50,000	1.12	-	-	-	-
Zensar Technologies Ltd.		₹ 2	17,000	14.71	17,000	39.38	-	-
<b>TOTAL</b>				<b>258.22</b>		<b>265.30</b>		<b>19.53</b>

**14 CURRENT TAX ASSETS (NET)**

Particulars	Ref Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Prepaid Taxes(Net of provisions)				-
Advance Tax including Tax deducted at Source (Net of Provisions)		79.06	53.37	34.87
<b>TOTAL</b>		<b>79.06</b>	<b>53.37</b>	<b>34.87</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**
**15 PROPERTY, PLANT & EQUIPMENT**

As at 31 March, 2020

Particulars	(Amount in Rs. lakhs)				
	Computer	Motor Car	Furniture and Fixtures	Office Equipment	Total
GROSS BLOCK					
As at April 1, 2019	1.29	23.02	2.09	3.24	29.64
Addition	0.20	102.41	1.80	1.55	105.97
Disposal/Adjustments	-	12.44	-	0.33	12.77
As at March 31, 2020	1.49	112.99	3.89	4.46	122.84
ACCUMULATED DEPRECIATION					
As at April 1, 2019	0.55	7.19	0.48	1.09	9.31
Depreciation for the year	0.09	29.14	0.55	1.19	30.96
Disposal	-	-	-	0.30	0.30
As at March 31, 2020	0.64	36.33	1.03	1.97	39.97
<b>Net Block as at March 31, 2020</b>	<b>0.86</b>	<b>76.66</b>	<b>2.86</b>	<b>2.49</b>	<b>82.87</b>

As at 31 March, 2020

Particulars	(Amount in Rs. lakhs)				
	Computer	Motor Car	Furniture and Fixtures	Office Equipment	Total
GROSS BLOCK					
Deemed Cost As at 1st April, 2018	1.09	23.02	1.77	1.76	27.64
Addition 0.20	-	0.32	1.48	2.01	-
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2019	1.29	23.02	2.09	3.24	29.64
ACCUMULATED DEPRECIATION					
As at April 1, 2018	-	-	-	-	-
Addition	-	-	-	-	-
Less: Depreciation for the year	0.55	7.19	0.48	1.09	9.31
Disposal	-	-	-	-	-
As at March 31, 2019	0.55	7.19	0.48	1.09	9.31
<b>Net Block as at March 31, 2019</b>	<b>0.74</b>	<b>15.83</b>	<b>1.61</b>	<b>2.15</b>	<b>20.33</b>

**16 CAPITAL WORK IN PROGRESS**

Particulars

Particulars	Refer Note	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance brought forward from the previous year	No	0.59	-	-
Add: Additions during the period		-	0.59	-
		0.59	0.59	-
Less : Transferred during the period		0.59	-	-
<b>TOTAL</b>		<b>-</b>	<b>0.59</b>	<b>-</b>

**17 OTHER NON FINANCIAL ASSETS**

Particulars

Particulars	Refer Note	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advances	No	0.57	5.00	-
Other deposits		800.00	800.00	800.00
Balances with Revenue authorities		-	0.06	3.80
Staff Advances		0.11	-	0.40
Prepaid Expense		0.76	1.13	0.93
<b>TOTAL</b>		<b>801.44</b>	<b>806.19</b>	<b>805.13</b>

**18 TRADE PAYABLES**

Particulars

Particulars	Refer Note	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
For services		-	-	-
- Dues of Micro and Small Enterprises	17.1 & 17.2	-	-	-
- Other than Micro and Small Enterprises	17.2	18.74	19.12	111.10
<b>TOTAL</b>		<b>18.74</b>	<b>19.12</b>	<b>111.10</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

18.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.

17.2 Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

**19 BORROWINGS (OTHER THAN DEBT SECURITIES)**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Secured</b>				
Term Loan From a Bank (Vehicle Loan)	19.1	29.95	-	0.45
From Body Corporates, Repayable on Demand (against motor car)		-	23.97	29.43
"Bank Overdraft"(Limit Sanctioned Rs. 1.94 crore (P.Y. Rs.1.69 crore"against security of Fixed deposit")		<u>0.21</u>	<u>113.66</u>	<u>103.28</u>
<b>Unsecured</b>				
From Body Corporates, Repayable on Demand		-	-	1,370.50
<b>TOTAL</b>		<u>30.16</u>	<u>137.63</u>	<u>1,503.65</u>
<b>19.1 Details of Term loans from banks (secured)-</b>				
maturity within 1 year		6.23	-	0.45
maturity > 1 year		23.72	-	-
<b>TOTAL</b>		<u>29.95</u>	<u>-</u>	<u>0.45</u>
<b>19.2 Details of loans from body corporate (secured)-</b>				
- Payable in 48 equal instalments of Rs 71,290/- per month . Rate of interest 11.40 % per annum on reducing balance method.				
maturity within 1 year		-	23.97	5.46
maturity > 1 year		-	-	23.97
<b>TOTAL</b>		<u>-</u>	<u>23.97</u>	<u>29.43</u>

**20 OTHER FINANCIAL LIABILITIES**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Outstanding liability for expense		1.04	1.00	1.09
Interest on Non performing loans pending realisation		-	-	-
<b>TOTAL</b>		<u>1.04</u>	<u>1.00</u>	<u>1.09</u>

**21 PROVISIONS**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits	40	21.80	18.97	20.29
Provision of advance tax (net of advances)		0.23	-	-
Contingent provision against standard asset	21.1	8.53	7.57	6.47
<b>TOTAL</b>		<u>30.55</u>	<u>26.54</u>	<u>26.76</u>

**22 DEFERRED TAX LIABILITIES (NET)**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Assets	22.1	121.86	151.68	74.50
Deferred Tax Liabilities	22.1	105.46	464.24	46.08
<b>TOTAL</b>		<u>(16.40)</u>	<u>312.56</u>	<u>(28.42)</u>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

22.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet:

Particulars	Opening Balance April 1, 2019	(Charge)/Credit in Profit and Loss	(Charge)/Credit in Other Comprehensive Income	Closing Balance March 31, 2020
<b>Deferred Tax Liabilities</b>				
Difference in carrying value and tax base of investments measured at FVTPL	0.10	(0.03)	-	0.07
Difference in carrying value and tax base of investments measured at FVOCI	464.14	-	(358.75)	105.39
<b>Total Deferred Tax Liabilities</b>	<b>464.24</b>	<b>(0.03)</b>	<b>(358.75)</b>	<b>105.46</b>
<b>Deferred Tax Assets</b>				
Difference between tax base and book value of Property ,plant and Equipment	7.01	2.67	-	9.68
Defined benefit plans	4.93	1.02	(0.29)	5.67
Difference in carrying value and tax base of investments measured at FVTPL	0.41	(0.08)	-	0.33
MAT Credit	139.33	-	-	106.18
<b>Total Deferred Tax Assets</b>	<b>151.68</b>	<b>3.61</b>	<b>(0.29)</b>	<b>121.86</b>
Deferred Tax Liabilities (Net)	(312.56)	3.64	358.46	16.40

Particulars	Opening Balance April 1, 2019	(Charge)/Credit in Profit and Loss	(Charge)/Credit in Other Comprehensive Income	Closing Balance March 31, 2020
<b>Deferred Tax Liabilities</b>				
Difference in carrying value and tax base of investments measured at FVTPL	0.38	(0.28)	-	0.10
Difference in carrying value and tax base of investments measured at FVOCI	45.70	-	418.44	464.14
<b>Total Deferred Tax Liabilities</b>	<b>46.08</b>	<b>(0.28)</b>	<b>418.44</b>	<b>464.24</b>
<b>Deferred Tax Assets</b>				
Difference between tax base and book value of Property ,plant and Equipment	6.82	0.19	-	7.01
Defined benefit plans	5.28	(0.73)	0.39	4.93
Difference in carrying value and tax base of investments measured at FVTPL	0.98	(0.57)	-	0.41
MAT Credit	61.42	77.91	-	139.33
<b>Total Deferred Tax Assets</b>	<b>74.50</b>	<b>76.80</b>	<b>0.39</b>	<b>151.68</b>
Deferred Tax Liabilities (Net)	28.42	77.07	(418.05)	(312.56)

**23 OTHER NON FINANCIAL LIABILITIES**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Income Receivable in advance		-	-	-
Statutory Dues		3.66	0.35	5.58
<b>TOTAL</b>		<b>3.66</b>	<b>0.35</b>	<b>5.58</b>

**24 EQUITY SHARE CAPITAL**

Particulars	Refer Note No	(Amount in Rs. lakhs)		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Authorised Shares</b>				
Equity Shares of Rs. 10/- each				
1,25,00,000 (March 31, 2019:1,25,00,000 and April 1, 2018: 1,25,00,000) equity shares		1,250	1,250	1,250
		1,250	1,250	1,250
<b>Issued, Subscribed &amp; Fully Paid Up Shares</b>				
Equity Shares of Rs. 10/- each				
1,00,00,000(March 31, 2019: 1,00,00,000 and April 1,2018: 1,00,00,000) equity shares"		1,000	1,000	1,000
		1,000	1,000	1,000

24.1 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

## Notes to Consolidated Financial Statements for the Year ended 31st March 2020

### 24.2 Reconciliation of the number of equity shares outstanding:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Number of shares at the beginning	10,000,000	10,000,000	10,000,000
Add: Additions during the year	-	-	-
Number of shares at the end	10,000,000	10,000,000	10,000,000

### 24.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:

Name of the Shareholders	Number of Shares Held	Number of Shares Held	Number of Shares Held
<b>Ajit Khandelwal*</b>			
- No of shares held:	2,270,438	2,270,438	2,270,438
- Percentage of shares held:	22.70%	22.70%	22.70%
<b>Sanjeev Kumar Khandelwal*</b>			
- No of shares held:	1,300,938	1,300,938	992,938
- Percentage of shares held:	13.01%	13.01%	9.93%
<b>BNK Securities Pvt.Ltd</b>			
- No of shares held:	1,273,781	1,273,781	1,273,781
- Percentage of shares held:	12.74%	12.74%	12.74%

\*Held on behalf of Brijnath Khandelwal & Co As Partners.

## 25 OTHER EQUITY

(Amount in Rs. lakhs)

Particulars	Ref Note No	Reserve and Surplus					Other Comprehensive Income	TOTAL
		Retained Earning	Securities Premium	General Reserve	Capital reserve	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)		
<b>Balance as in April 1, 2018</b>		<b>875.64</b>	<b>1,230.00</b>	<b>2,223.21</b>	<b>159.30</b>	<b>789.77</b>	<b>39,573.39</b>	<b>44,851.31</b>
Profit for the year		1,241.95	-	-	-	-	-	1,241.95
Other Comprehensive Income for the year		-	-	-	-	-	(3,174.33)	(3,174.33)
<b>Total Comprehensive Income</b>		<b>1,241.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,174.33)</b>	<b>(1,932.38)</b>
Adjustment on account of Consolidation		17.27	-	-	-	-	-	17.27
Adjustment for earlier years		(2.45)	-	-	-	-	-	(2.45)
Reclassification of gain on sale of FVOCI equity instrument		177.58	-	-	-	-	(177.58)	-
Final Dividend for Financial Year 2017-18		(150.00)	-	-	-	-	-	(150.00)
Corporate Dividend Tax		(30.71)	-	-	-	-	-	(30.71)
Transferred from Retained earnings to Special Reserve		(271.59)	-	-	-	271.59	-	-
Transferred from Retained earnings to General Reserve		(600.00)	-	1,970.50	-	-	-	1,370.50
<b>Balance as at March 31, 2019</b>		<b>1,257.68</b>	<b>1,230.00</b>	<b>4,193.71</b>	<b>159.30</b>	<b>1,061.36</b>	<b>36,221.48</b>	<b>44,123.53</b>
Profit for the year		650.83	-	-	-	-	-	650.83
Other Comprehensive Income for the year		-	-	-	-	-	(22,423.39)	(22,423.39)
<b>Total Comprehensive Income</b>		<b>650.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,423.39)</b>	<b>(21,772.56)</b>
Adjustment on account of Consolidation		35.88	-	-	-	-	-	35.88
Reclassification of gain on sale of FVOCI equity instrument		1.73	-	-	-	-	(1.73)	-
Final Dividend for Financial Year 2018-19		(200.00)	-	-	-	-	-	(200.00)
Interim Dividend		(250.00)	-	-	-	-	-	(250.00)
Corporate Dividend Tax		(92.51)	-	-	-	-	-	(92.51)
Transferred from Retained earnings to Special Reserve		(175.46)	-	-	-	175.46	-	-
Transferred from Retained earnings to General Reserve		(300.00)	-	300.00	-	-	-	-
<b>Balance as at March 31, 2020</b>		<b>928.15</b>	<b>1,230.00</b>	<b>4,493.71</b>	<b>159.30</b>	<b>1,236.82</b>	<b>13,796.36</b>	<b>21,844.34</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**
**25.1 Securities Premium**

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

**25.2 Special Reserve**

Statutory Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

**25.3 Retained Earnings**

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

**25.4 General Reserve**

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of Profit and Loss.

**25.5 Capital Reserve**

The Company recognises profit and loss on purchase, sale, issue or cancellation of the its own equity instruments to capital reserve

**26 INTEREST INCOME**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Interest on Financial Assets measured through OCI			
Loans		0.16	0.16
Interest on Financial Assets measured at amortised cost:			
Loans		331.84	285.53
Fixed Deposit		15.96	15.49
<b>TOTAL</b>		<b>347.96</b>	<b>301.18</b>

**27 DIVIDEND INCOME**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Dividend Income		872.32	1058.95
<b>TOTAL</b>		<b>872.32</b>	<b>1,058.95</b>

**28 NET GAIN ON FAIR VALUE CHANGES**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Derivative gain on financial instrument		0.49	0.13
Mutual Fund		41.11	41.14
<b>TOTAL</b>		<b>41.60</b>	<b>41.27</b>

**28.1 Fair value changes:**

-Realised		38.84	33.79
-Unrealised		2.75	7.47
<b>TOTAL</b>		<b>41.60</b>	<b>41.26</b>

**29 SALE OF SHARES AND SECURITIES**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Sale of shares and securities		384.23	72.96
<b>TOTAL</b>		<b>384.23</b>	<b>72.96</b>

**30 SALE OF SERVICES**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Income from Services		210.29	228.45
<b>TOTAL</b>		<b>210.29</b>	<b>228.45</b>



**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

<b>31 OTHER INCOME</b>			<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>Ref. note no.</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Profit on sale of Property, Plant & Equipment		12.13	-
Other receipts		1.60	-
Brokerage Income		-	0.01
Rental Income		3.00	3.00
<b>TOTAL</b>		<b>16.73</b>	<b>3.01</b>
<b>32 FINANCE COSTS</b>			<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>Ref. note no.</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Interest Paid			
-on bank overdraft		1.40	0.90
-on loan		3.15	5.23
Other interest expense		1.29	1.56
<b>TOTAL</b>		<b>5.84</b>	<b>7.69</b>
<b>33 EMPLOYEE BENEFITS EXPENSES</b>			<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>Ref. note no.</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Salaries, Wages and Bonus, etc.		74.53	63.89
Director's Remuneration		28.15	28.15
Staff Welfare expenses		2.88	1.89
<b>TOTAL</b>		<b>105.55</b>	<b>93.93</b>
<b>34 DEPRECIATION, AMORTIZATION AND IMPAIRMENT</b>			<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>Ref. note no.</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Depreciation on Property, Plant and Equipment	15	30.96	9.31
<b>TOTAL</b>		<b>30.96</b>	<b>9.31</b>
<b>35 OTHER EXPENSES</b>			<b>(Amount in Rs. lakhs)</b>
<b>Particulars</b>	<b>Ref. note no.</b>	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
Auditors Remuneration			
Audit Fees		0.42	0.42
Other matters		0.40	0.40
Tax Audit Fees		0.10	0.10
Bank Commission and Charges		1.73	0.19
Business Promotion Expenses		5.26	6.25
Bad debt written off		3.59	0.00
Computer Consumable Expenses		0.23	0.70
Contingent Provision against Standard Assets		0.96	1.10
CSR Expense		5.00	7.20
Demat Charges		0.56	0.60
Directors' Sitting Fees		2.60	2.05
Electricity Charges		1.95	1.77
Filing Fees		5.21	2.67
Legal and Professional Fees		37.86	7.01
Membership & Subscriptions		1.18	0.92
Motor car expenses		4.07	5.11
Notice & Publication expenses		0.31	0.71
Office expense		2.18	1.69
Payment to subcontractor		150.16	180.32
Postage & Courier Charges		0.94	0.56
Printing & Stationery		1.25	1.20
Rent, Rates & Taxes		18.17	16.11
Repairs & maintenance		8.95	1.98
General Expense		0.10	0.06

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Software Expenses		0.23	1.52
Telephone Expenses		3.27	2.83
Tendar Fees		0.19	0.00
Transaction Expenses		0.00	0.38
Travelling Expenses		14.47	11.02
Website Maintenance Charges		1.70	1.70
<b>TOTAL</b>		<b><u>273.04</u></b>	<b><u>256.57</u></b>
<b>Particulars</b>		<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
35.1 Details of CSR expenditure			
(a) Gross amount required to be spent by the Company during the year		9.68	7.41
(b) Amount spent during the year			
i) Construction / acquisition of any asset		-	-
ii) On purposes other than (i) above		5.00	7.20
36 Segement Information as per Ind AS 108			
<b>Particulars</b>		<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
<b>SEGMENT REVENUE</b>			
(a) Finance & Investments		1,646.11	1,474.36
(b) Other Services		210.29	228.45
(c) Other/ Unallocated		16.73	3.01
<b>Net sales Income from operations</b>		<b><u>1,873.14</u></b>	<b><u>1,705.82</u></b>
<b>SEGMENT RESULTS</b>			
(a) Finance & Investments		914.22	1,248.19
(b) Other Services		38.35	34.58
(c) Other/ Unallocated		16.73	3.00
Total		969.30	1,285.77
Less - (i) Finance cost		5.84	7.69
(ii) Other Unallocable expenditure		30.96	9.31
<b>Profit before tax</b>		<b><u>932.50</u></b>	<b><u>1,268.78</u></b>
<b>SEGMENT ASSETS</b>			
(a) Finance & Investments		22835.19	45602.26
(b) Other Services		30.30	52.56
(c) Other/ Unallocated		82.06	20.83
<b>TOTAL SEGMENT ASSETS</b>		<b><u>22947.55</u></b>	<b><u>45675.65</u></b>
<b>SEGMENT LIABILITIES</b>			
(a) Finance & Investments		64.97	165.52
(b) Other Services		18.74	19.12
(c) Other/ Unallocated		0.45	312.56
<b>TOTAL SEGMENT LIABILITIES</b>		<b><u>84.16</u></b>	<b><u>497.20</u></b>
37 EXPENDITURE IN FOREIGN CURRENCY			
<b>Particulars</b>		<b>For the year ended 31st March, 2020</b>	<b>(Amount in Rs. lakhs) For the year ended 31st March, 2019</b>
(a) Expenditure in Foreign Currency			
i. Travelling		3.93	-
<b>TOTAL</b>		<b><u>3.93</u></b>	<b><u>-</u></b>

## Notes to Consolidated Financial Statements for the Year ended 31st March 2020

38 Calculation of Earning Per Share is as follows:	Ref Note No.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
<b>Particulars</b>			
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss		650.83	1,241.95
Net profit for basic and diluted earnings per share		650.83	1,241.95
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)			
Number of equity shares outstanding as on 31st March		10,000,000	10,000,000
Number of equity shares considered in calculating basic and diluted EPS		10,000,000	10,000,000
c) Earnings per share (EPS) of Equity Share of Rs. 10 each:			
i) Basic (Rs.)		6.51	12.42
ii) Diluted (Rs.)		6.51	12.42

## 39 Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures are as follows:

### A) Names of related parties and description of relationship

1) Subsidiary BNK Commodities Pvt. Ltd

2) Associates, Group Enterprises and Companies under common control BNK Securities Pvt.Ltd.  
Abacus Fund Services Pvt.Ltd.  
Patrex Vyappar Pvt. Ltd.  
Multiple Infra Pvt. Ltd.  
Brijnath Khandelwal & Co.

2) Key Management Personnel (KMP) and their close member

Mr.Ajit Khandelwal	Managing Director
Mr.Dipendra Nath Chunder	Director
Mr.Rabindranath Mishra	Chief Financial Officer
Ms. Khusboo Kumari	Company Secretary (Resigned w.e.f 01-12-2019)
Mr.Rishb Kumar Singhi	Company Secretary (Resigned w.e.f 08-06-2020 EOD)

### B) Related Party Transactions

Particulars		Holding	Associates, Group Enterprises and Companies under common control	KMP and their close member	KMP have control	Total
<b>I. TRANSACTIONS DURING THE YEAR:</b>						
<b>Remuneration paid</b>	2019-20	-	-	35.17	-	35.17
	2018-19	(-)	(-)	(36.45)	(-)	(36.45)
<b>Rent paid</b>						
Brijnath Khandelwal & Co.	2019-20	-	5.31	-	-	5.31
	2018-19	(-)	(3.22)	(-)	(-)	(3.22)
<b>Brokerage &amp; Commission</b>						
BNK Securities Pvt. Ltd	2019-20	-	1.12	-	-	1.12
	2018-19	(-)	(1.04)	(-)	(-)	(1.04)
<b>Interest Received</b>						
Abacus Funds Services Pvt. Ltd	2019-20	-	3.43	-	-	3.43
	2018-19	(-)	(3.82)	(-)	(-)	(3.82)
BNK Securities Pvt.Ltd	2019-20	-	0.09	-	-	0.09
	2018-19	(-)	(0.51)	(-)	(-)	(0.51)
<b>Loan Given</b>						
BNK Securities Pvt. Ltd	2019-20	-	275.00	-	-	275.00
	2018-19	(-)	(17.65)	(-)	(-)	(17.65)
	2017-18	(-)	(365.00)	(-)	(-)	(365.00)
<b>Loan Refund</b>						
Abacus Funds Services Pvt. Ltd	2019-20	-	-	-	-	-
	2018-19	(-)	(-)	(-)	(-)	(-)
	2017-18	(-)	(8.50)	(-)	(-)	(8.50)

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

BNK Securities Pvt. Ltd	2019-20	-	275.00	-	-	275.00
	2018-19	(-)	(17.65)	(-)	(-)	(17.65)
	2017-18	(-)	(765.00)	(-)	(-)	(765.00)

**II. OUTSTANDING BALANCES:**

Loan Given including interest						
Abacus Funds Services Pvt. Ltd	2019-20	-	31.68	-	-	31.68
	2018-19	(-)	(31.68)	(-)	(-)	(31.68)
	2017-18	(-)	(32.07)	(-)	(-)	(32.07)
Investments						
BNK Securities Pvt. Ltd	2019-20	-	156.60	-	-	156.60
	2018-19	(-)	(649.00)	(-)	(-)	(649.00)
	2017-18	(-)	(747.02)	(-)	(-)	(747.02)

Figures in brackets indicate previous year figures

**40 Post Retirement Employee Benefits**

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

**a) Defined Benefit Plans**

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Based on actuarial valuation report of the actuary, disclosures with respect to gratuity liability ascertained based on actuarial valuation carried out at the end of the year are as follows:

	<b>Gratuity 2019-20</b>	<b>Gratuity 2018-19</b>
<b>i) Change in the fair value of the defined benefit obligation:</b>		
Liability at the beginning of the year	18.97	20.29
Interest Cost	1.29	1.56
Current Service Cost	2.64	0.24
Actuarial (gain) / loss on obligations	(1.10)	1.49
Benefits paid	-	(4.62)
Liability at the end of the year	<u>21.80</u>	<u>18.97</u>
<b>ii) Amount Recognized in Balance Sheet</b>		
Liability at the end of the year	<u>21.80</u>	<u>18.97</u>
<b>iii) Components of Defined Benefit Cost</b>		
Current Service Cost	2.64	0.24
Interest Cost	1.29	1.56
Net Actuarial (gain) / loss on remeasurement recognised in OCI	(1.10)	1.49
Total Defined Benefit Cost recognised in Profit and Loss and OCI	<u>2.83</u>	<u>3.29</u>
<b>iv) Balance Sheet Reconciliation</b>		
Opening Net Liability	18.97	20.29
Expenses as above	2.83	3.29
Employers Contribution	-	-
Benefits paid	-	(4.62)
Amount Recognized in Balance Sheet	<u>21.80</u>	<u>18.97</u>

**Particulars**
**For the year ended  
31st March, 2020**
**For the year ended  
31st March, 2019**
**Principal Actuarial assumptions as at the Balance Sheet date**

Discount Rate	6.80%	7.70%
Salary Escalation Rate	7.00%	7.00%
Attribution Rates	5% to 1%	5% to 1%
Retirement Age	60 Years	60 Years

**Notes:**

i) Assumptions relating to future salary increases, attrition & interest rate for discount have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

Sensitivity analysis: Particulars	Change in Assumption	(Amount in Rs. lakhs) Effect in Gratuity Obligation
<b>For the year ended 31st March, 2019</b>		
Discount Rate	+1%	17.60
	-1%	20.63
Salary Growth Rate	+1%	20.62
	-1%	17.58
Withdrawal Rate	+1%	19.02
	-1%	18.92
<b>For the year ended 31st March, 2020</b>		
Discount Rate	+1%	20.17
	-1%	23.76
Salary Growth Rate	+1%	23.74
	-1%	20.16
Withdrawal Rate	+1%	21.77
	-1%	21.84

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit

**Estimate of expected benefit payments in future years**

Particulars	Gratuity
01 Apr 2020 to 31 Mar 2021	8.05
01 Apr 2021 to 31 Mar 2022	0.46
01 Apr 2022 to 31 Mar 2023	2.18
01 Apr 2023 to 31 Mar 2024	0.37
01 Apr 2024 to 31 Mar 2025	0.36
01 Apr 2024 Onwards	1.76

41 Tax Expenses- Current Tax Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs) For the year ended 31st March, 2019
Provision for Current Tax		20.50	80.58
		<u>20.50</u>	<u>80.58</u>

**41.1 Components of Tax Expense:**

Current tax			
In respect of the current year		20.50	77.91
In respect of the earlier year			2.67
Total Current tax expense recognised in the current year		<u>20.50</u>	<u>80.58</u>
Deferred tax			
In respect of the current year		29.50	(77.07)
Total Deferred tax expense recognised in the current year		29.50	(77.07)
Total Tax expense recognised in the current year		<u>50.00</u>	<u>3.50</u>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**
**41.2 Reconciliation of Income tax expense for the year with accounting profit is as follows:**

Taxable Income 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. Details in this respect are as follows:

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs)
			For the year ended 31st March, 2019
Profit before tax		932.49	1,268.78
Income tax expense calculated at rate applicable		156.17	258.70
Less : Effect of income Exempt from taxation/ deductible for computing taxable profit			
Dividend Income (Exempt u/s 10(34))		(144.82)	(2,15.26)
Fair value changes		0.19	-
Others		(1.22)	-0.43
Add : Effect of expenses that are not deductible in determining taxable profit			
Fair Valuation		5.77	34.46
Income not subject to tax		4.41	0.44
<b>Income tax expense recognised in profit and loss</b>		<b>20.50</b>	<b>77.91</b>

The tax rate used for reconciliations above is 26% (Previous Year: 20.39%) as applicable for corporate entities on taxable profits under the Indian tax laws.

**41.3 Income tax recognised in other comprehensive income**

Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
-Changes in fair valuation		358.46	(418.06)
-Remeasurement profit/(loss) on defined benefits plans		-	-
<b>Total income tax recognised in other comprehensive income</b>		<b>358.46</b>	<b>(418.06)</b>

Bifurcation of the income tax recognised in other comprehensive income into:-

Items that will not be reclassified to profit or loss		358.46	(418.06)
Items that may be reclassified to profit or loss		-	-

**42 Components of Other Comprehensive Income**

Particulars	Ref. note no.	For the year ended 31st March, 2020	(Amount in Rs. lakhs)
			For the year ended 31st March, 2019
(i) Items that will not be reclassified to Statement of Profit and Loss			
-Changes in fair valuation		(22,162.82)	(3,081.75)
-Changes in fair valuation of bond instruments		-	0.42
-Profit/(Loss) on derecognition		(1.61)	(16.81)
-Profit/(Loss) on derecognition of bond instruments		0.61	-
-Remeasurement profit/(loss) on defined benefits plans		1.10	(1.49)
(ii) Share of Equity Accounted Investee		(260.74)	(74.69)
		<b>(22,423.46)</b>	<b>(3,174.33)</b>

**43 First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date), by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards, and reconciliations of equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below:

**43.1 Mandatory Exceptions to retrospective application**

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

**i Estimates**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence that those estimates were in error. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

## Notes to Consolidated Financial Statements for the Year ended 31st March 2020

### ii Classification and Measurement of financial asset

The Company has classified the financial assets as per para 4.1.2A of Ind AS 139 on the basis of the facts and circumstances that exist at the date of transition to Ind AS

### iii Impairment of Financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively, however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

### 43.2 Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The company has elected to apply the following optional exemptions:

#### i Deemed cost for Property Plant and equipment

The company has elected to continue with carrying value of all of its property plant and equipment recognised in financial statements as at the date of transition to Ind AS measured as per previous GAAP as deemed cost on the date of transition to Ind AS

#### ii Investment in Subsidiary and associates

The Company has elected to measure its investments in subsidiaries and associates at previous GAAP carrying value as deemed cost on the date of transition.

#### iii Designation of previously recognised financial instruments

The company has designated investment in equity instrument as at fair value through other comprehensive income in accordance with Para 5.7.5 of Ind AS 109 on the basis of facts and circumstances that exist at the date of transition of Ind AS.

### 43.3 Reconciliation between previous GAAP and Ind AS

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(a) Reconciliation of total equity as at 1st April, 2018 and 31st March, 2019

(b) Reconciliation of total comprehensive income for the year ended 31st March, 2019.

#### a) Equity Reconciliation

Particulars	Notes	(Amount in Rs. lakhs)	
		As at 31st March, 2019	As at 31st March, 2018
<b>Total equity (shareholders' funds) under Previous GAAP</b>		<b>85,24.32</b>	<b>59,38.69</b>
<b>Ind AS Adjustments</b>			
Measurement impact of Financial Instruments fair valued through profit and loss account	(b)	5.57	(3.78)
Measurement impact of Financial Instruments fair valued through Other comprehensive income	(a)	36,792.77	39,619.88
Deferred Tax impacts	(c)	(454.23)	(44.71)
Dividend declared 2017-18		-	150.00
Corporate Dividend Tax 2017-18		-	30.71
Dividend declared 2018-2019		200.00	-
Corporate Dividend Tax 2018-19		40.72	-
Others		2.96	5.94
Ind AS adjustments of entities accounted as per equity method		209.31	307.33
Adjustment for Minority Interest		(54.91)	(72.18)
Ind AS adjustments of subsidiaries		(143.08)	(80.56)
<b>Total adjustment to equity</b>		<b>36,599.24</b>	<b>39,912.62</b>
<b>Total equity as per Ind AS</b>		<b>45,123.53</b>	<b>4,58,51.31</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

b) Total Comprehensive Income Reconciliation Particulars	Notes	(Amount in Rs.) For the Year ended March 31, 2019
<b>Net profit as per previous GAAP</b>		<b>1,359.76</b>
Remeasurement of defined benefit obligations recognised in OCI	(f)	(0.75)
Fair Valuation of Investments through profit and loss account	(b)	7.71
Gain/Loss on Equity instruments Classified as Fair valued through OCI.	(a)	(177.02)
Effect of Taxes on above		74.22
Share of Equity Accounted Investee		(23.33)
Minority interest as per IGAAP		1.37
Net Profit as per Ind AS		1,241.95
Other Comprehensive Income (net of taxes)		(2,689.32)
Actuarial gain/ (loss) on Employees defined benefit		(1.49)
Effect of Taxes on above		(408.94)
Share of Equity Accounted Investee		(74.69)
<b>Total Comprehensive Income as per Ind AS</b>		<b><u>(1,932.38)</u></b>

**Notes:**

- (a) **Classification and Measurement of Financial assets Fair valued through OCI**  
Under Indian GAAP, company accounted for its long term investments in debt securities, quoted and unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS the company has designated these investments as FVOCI as per conditions prescribed in para 4.1.2(A) in case of debt securities and as per para 5.7.5 of Ind AS 109 for equity shares.
- (b) **Classification and measurement of Financial asset Fair valued through P&L**  
Under Indian GAAP, Company accounted for its short term investment in Mutual fund and Venture Capital Fund securities measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS the company has classified these investment as FVPL as per conditions prescribed in para 4.1.2 (B) of Ind AS 109.
- At the date of transition to Ind AS, the difference between the instruments' fair value and carrying value as per Indian GAAP has been recognised in retained earnings net of related taxes.
- (c) Under the Previous GAAP, Deferred tax Assets in respect of carry forward of unused tax losses and unused tax credits was recognized on virtual certainty of recoverability of the same. Under Ind AS deferred tax asset in respect of carry forward of unused tax losses and unused tax credits is recognized to the extent that it is probable that future taxable Profit will be available against which the unused tax losses and unused tax credits can be utilized. Adoption of Ind AS has resulted in change in recognition and measurement of assets and liabilities, giving rise to origination or reversal of temporary differences, accordingly deferred tax is recognized in respect of those changes, wherever applicable. Certain items of income and expenses are reclassified from Profit and Loss to other comprehensive income, accordingly the related deferred tax expense/ income has been reclassified from Profit and Loss to other comprehensive income.
- (d) Under the previous GAAP, dividends proposed by the board of directors after balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.
- (e) Under Ind AS, all items of income and expense recognized in a period should be included in Profit or Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in Profit or Loss but are shown in the statement of Profit and Loss as 'other comprehensive income' includes measurements of defined benefit plans and fair value gains or (losses) on equity instruments. The concept of other comprehensive income did not exist under previous GAAP.
- (f) **Re-measurement gains/ losses of Defined benefits plans**  
Under Ind AS -19 Employee Benefits, actuarial gain & losses are recognised in other comprehensive income & not reclassified to Profit & Loss in a subsequent period. The adjustment reflects the impact for the periods subsequent to the date of transition as transfer from Profit & Loss to other comprehensive income.
- (g) **Adjustments to Statement of Cash Flow**  
There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.



**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**
**44 DISCLOSURES ON FINANCIAL INSTRUMENTS**
**(a) Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	LEVEL 1	LEVEL 2	LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	33.78	33.78	-	-	-	-	-	-
-Debt Mutual Funds	607.44	-	607.44	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalents	227.06	227.06	-	-	-	-	-	-
Trade Receivables	31.95	31.95	-	-	-	-	-	-
Loans	3,412.72	3,412.72	-	-	-	-	-	-
Investments								
-in equity mutual funds	1.10	-	-	1.10	-	1.10	-	1.10
-in equity shars (quoted)	16,916.59	-	-	16,916.59	16,916.59	-	-	16,916.59
-in bonds (quoted)	7.98	-	-	7.98	7.98	-	-	7.98
-in equity shars (unquoted)	431.20	431.20	-	-	-	-	431.20	431.20
Other Financial Assets	39.73	39.73	-	-	-	-	-	-
	<b>21,709.55</b>	<b>4,176.44</b>	<b>607.44</b>	<b>16,925.67</b>	<b>16,924.57</b>	<b>1.10</b>	<b>431.20</b>	<b>17,356.87</b>
<b>Financial Liabilities</b>								
Trade Payables	18.74	18.74	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	30.16	30.16	-	-	-	-	-	-
Other Financial Liabilities	1.04	1.04	-	-	-	-	-	-
	<b>49.94</b>	<b>49.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	LEVEL 1	LEVEL 2	LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	73.24	73.24	-	-	-	-	-	-
-Debt Mutual Funds	1,037.57	-	1,037.57	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	213.51	213.51	-	-	-	-	-	-
Trade Receivables	34.35	34.35	-	-	-	-	-	-
Loans	3,028.21	3,028.21	-	-	-	-	-	-
Investments								
-in equity mutual funds	1.62	-	-	1.62	-	1.62	-	1.62
-in equity shars (quoted)	39,156.01	-	-	39,156.01	39,156.01	-	-	39,156.01
-in bonds (quoted)	5.96	-	-	5.96	5.96	-	-	5.96
-in equity shars (unquoted)	923.60	923.60	-	-	-	-	923.60	923.60
Other Financial Assets	55.78	55.78	-	-	-	-	-	-
	<b>44,529.87</b>	<b>4,328.70</b>	<b>1,037.57</b>	<b>39,163.60</b>	<b>39,161.97</b>	<b>1.62</b>	<b>923.60</b>	<b>40,087.19</b>
<b>Financial Liabilities</b>								
Trade Payables	19.12	19.12	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	137.63	137.63	-	-	-	-	-	-
Other Financial Liabilities	1.00	1.00	-	-	-	-	-	-
	<b>157.75</b>	<b>157.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

Particulars	As at March 31, 2020							TOTAL
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE LEVEL 1	FAIR VALUE LEVEL 2	FAIR VALUE LEVEL 3	
<b>Financial Assets</b>								
Cash and cash equivalents except	11.62	11.62	-	-	-	-	-	-
-Debt Mutual Funds	430.94	-	430.94	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	213.67	213.67	-	-	-	-	-	-
Trade Receivables	168.26	168.26	-	-	-	-	-	-
Loans	2,587.34	2,587.34	-	-	-	-	-	-
Investments								
-in equity mutual funds	1.62	-	-	1.62	-	1.62	-	1.62
-in equity shares (quoted)	42,092.67	-	-	42,092.67	42,092.67	-	-	42,092.67
-in bonds (quoted)	5.54	-	-	5.54	5.54	-	-	5.54
-in equity shares (unquoted)	1,021.62	1,021.62	-	-	-	-	-1,021.62	1,021.62
Other Financial Assets	122.79	-	-	122.79	-	-	-	-
	<b>46,656.07</b>	<b>4,002.51</b>	<b>430.94</b>	<b>42,222.62</b>	<b>42,098.21</b>	<b>1.62</b>	<b>1,021.62</b>	<b>43,121.44</b>
<b>Financial Liabilities</b>								
Trade Payables	111.10	111.10	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	1,503.65	1,503.65	-	-	-	-	-	-
Other Financial Liabilities	1.09	1.09	-	-	-	-	-	-
	<b>1,615.84</b>	<b>1,615.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(b) Measurement of fair values**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level I: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

(ii) Financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(iii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

(iv) The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(v) There have been no transfers between Level I and Level II for the years ended March 31, 2020 and March 31, 2019.

(vi) Reconciliation of Level III fair value measurement is as below:

Particulars	(Amount in Rs. lakhs)	
	As at 31.03.2020	As at 31.03.2019
Balance at the beginning of the year	923.60	1,021.62
Additions during the year	-	-
Deductions during the year	(492.40)	(98.02)
Sales/ write off during the year	-	-
Fair Value changes during the year	-	-
Balance at the end of the year	<b>431.20</b>	<b>923.60</b>

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020****(c) FINANCIAL RISK MANAGEMENT**

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**CREDIT RISK**

Credit risk is the risk of financial loss to the company if a counter-party fails to meet its contractual obligations.

**Trade receivables**

Credit risk with respect to trade receivables is limited, since the trade receivables amount is immaterial.

**Cash and cash equivalents**

The company holds cash and cash equivalents of Rs. 868.29 lacs at 31 March 2020 (31 March 2019: Rs.1,324.29 lacs ; 1 April 2018: Rs. 656.24 lacs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**MARKET RISK**

"Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as equity price, interest rates etc.) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. The Company is exposed to market risk primarily related to the market value of its investments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**Exposure to interest rate risk :**

Since the Company does not have any financial assets or financial liabilities bearing floating interest rates, any change in interest rates at the reporting date would not have any significant impact on the financial statements of the Company.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**Price Risk****(a) Exposure**

The Company is exposed to equity price risk arising from investments held by the Company and classified in the balance sheet either as fair value through OCI .

To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio.

The majority of the Company's equity investments are listed on the BSE or the National Stock Exchange (NSE) in India.

**(b) Sensitivity analysis - Equity price risk**

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Company's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2%.

**Notes to Consolidated Financial Statements for the Year ended 31st March 2020**

Particulars	Impact on Profit or loss		Impact on other	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Market Price increases by 2%	-	-	338.33	783.12
Market Price decreases by 2%	-	-	(338.33)	(783.12)

**LIQUIDITY RISK**

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. This is generally carried out in accordance with practice and limits set by the company.

**Maturity Analysis of Financial Liabilities  
As at March 31, 2020**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	18.74	18.74	-	-	18.74
Borrowings (Other than Debt Securities)	30.16	6.44	23.72	-	30.16
Other Financial Liabilities	1.04	1.04	-	-	1.04

**As at March 31, 2019**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Trade and other payables	19.12	19.12	-	-	19.12
Borrowings (Other than Debt Securities)	137.63	137.63	-	-	-
Other Financial Liabilities	1.00	1.00	-	-	1.00

**As at March 31, 2018**

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Trade and other payables	111.10	111.10	-	-	111.10
Borrowings (Other than Debt Securities)	1,503.65	1,479.68	23.97	-	-
Other Financial Liabilities	1.09	1.09	-	-	1.09



**Notes to Financial Statements for the Year ended 31st March 2020**

46 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as on 31st March 2020 :

Particulars	Net assets, i.e., total assets minus Total Liabilities		Share of profit or loss including Other Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amounts March 31, 2019
<b>Parent:</b>				
BNK Capital Markets Ltd.	101.08	23,109.69	97.36	(21,197.38)
<b>Subsidiary:</b>				
BNK Commodities Pvt Ltd.	0.87	197.78	0.38	(82.85)
<b>Minority Interests:</b>				
Indian	0.08	19.03	0.16	35.88
<b>Associates(Investment as per equity method)</b>				
BNK Securities Pvt Ltd	0.68	156.60	2.26	(492.40)
<b>Eliminations</b>	(2.71)	(619.71)	(0.16)	(35.88)
	<b>100.00</b>	<b>22,863.39</b>	<b>100.00</b>	<b>(21,772.63)</b>

**47 CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

48 The Board of Directors, at its meeting held on March 05, 2020, has declared an interim dividend of 25% (Rs 2.50 per equity share of Rs 10 each). This has resulted in a cash outflow of Rs 301.79 Lacs, inclusive of dividend distribution tax of Rs 51.79 Lacs.

49 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date  
FOR SANTOSH CHOUDHARY & ASSOCIATES

Chartered Accountants  
Firm Registration.No. 323720E

(CA. SANTOSH KUMAR CHOUDHARY)

Partner  
Membership No.058692  
UDIN : 20058692AAAAAV8768

Place: Kolkata  
Dated: 30th June, 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AJIT KHANDELWAL  
Chairman & Managing Director  
DIN: 00416445

MURARI LAL KHETAN  
Director  
DIN-00009187

RABINDRANATH MISHRA  
Chief Financial Officer

**MEMBERS UPDATION FORM**

Date :

CB Management Services (P) Ltd.

Unit : BNK CAPITAL MARKETS LTD.

P-22, Bondel Road, Kolkata 700 019

Dear Sirs,

I/We furnish hereunder the following details for necessary updation in the register of members of the Company in respect of the shares of your company registered in my/our name/s under registered Folio No. \_\_\_\_\_ :-

PARTICULARS	1ST / SOLE HOLDER	1ST JOINT HOLDER	2ND JOINT HOLDER
<b>NAME</b>			
<b>FATHER's/MOTHER's SPOUSE NAME</b>			
<b>PAN</b> <i>(self attested photocopy/ies enclosed)</i>			
<b>UIN (Aadhaar Card)</b> <i>(self attested photocopy/ies enclosed)</i>			
<b>OCCUPATION</b>			
<b>MOBILE NO.</b>			
<b>e-mail ID (only 1st Holder):</b>			
<b>BANK ACCOUNT DETAILS (*)</b> <i>(only 1st Holder)</i> <i>(*) Please enclose a cancelled cheque or photocopy thereof</i>	Account No	:	Savings/Current/NRO/NRE <i>(please tick appropriately)</i>
	Account Type	:	
	Name of the Bank	:	
	Branch Name	:	
	Address	:	
	MICR Code	:	
	IFS Code	:	

\_\_\_\_\_  
**(Signature of 1st Holder)**

\_\_\_\_\_  
**(Signature of 2nd Holder)**

\_\_\_\_\_  
**(Signature of 3rd Holder)**

**ATTESTATION PARTICULARS :** Signature(s) of the above named persons, holders of S.B./C.A. Account No. \_\_\_\_\_ maintained with us, verified as per our records.

Name of the Bank	:	
Full Address of the Bank (with Branch Name)	:	
Phone No./ e-mail ID	:	
Signature of the Attesting Officer under Official Seal with Name and Employee Code	:	







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