



**A K DUBEY & CO**  
Chartered Accountants

## Independent Auditors' Report

To The Members of Aradhana Investments Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of **Aradhana Investments Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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



### **Emphasis of Matter**

We draw your attention to Note 43 of financial statement which explains the management's assessment/evaluation of the financial impact due to lockdown arising with the advent of COVID 19.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have no key audit matter to be reported.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility for the Standalone Ind AS 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 Ind AS 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) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibility for the audit of the Ind AS Financial Statements**

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



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

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

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

## Report on Other Legal and Regulatory Requirements

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act & Rules made thereunder.

e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

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

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) the Company did not have any pending litigations which would impact its financial position in its financial statements.

ii) the Company did not have any long term contracts including derivation contracts for which there are any material foreseeable losses.

iii) There is no amount which were required to be transferred, to the Investors Education and Protection Fund by the Company during the year.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Kolkata

Date: 25th September, 2020

For A K Dubey & Co.  
Chartered Accountants  
Firm Registration No. 329518E



Arun Kumar Dubey  
Partner

Membership No - 057141

UDIN: 20057141AAAABK4211



## **Annexure "A" to the independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the Members of Shalimar Paints Limited )

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

We have audited the internal financial controls over financial reporting of **Aradhana Investments Limited** ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditors' 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 controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements, due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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, to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> 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.

Place: Kolkata

Date: 25th September, 2020



For A K Dubey & Co.  
Chartered Accountants

Firm Registration No. 329518E

Arun Kumar Dubey  
Partner

Membership No. - 057141

UDIN: 20057141AAAABK4211



**Annexure "B" to the Independent Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'" section of our report of even date to the Members of Aradhana Investments Limited )**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us, and on the basis of examination of records of the Company, we report that the title deeds of immovable properties are held in the name of the company.
- (ii) The Company did not have any inventory, and as such matters specified Para 3 (ii) is not applicable.
- (iii) The company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, except to a company referred to in Note 34 of financial statement. The terms and conditions of the loan are not prejudicial to the Company's interest. As per information & explanation given to us, there is no schedule of repayment of principal and payment of interest, and the said loan are repayable on demand. As confirmed, no amount (principal & interest) is overdue.
- (iv) In respect of loans, investments, guarantees, and security, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with, to the extent applicable.
- (v) The Company has not accepted any deposit; and hence, Para 3(v) of the Order is not applicable.
- (vi) As informed, maintenance of cost records has not been specified by the Central Government u/s 148(1) of the Companies Act; hence, Para 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.





- (viii) As per the information and explanations given to us , the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan ; hence, Para 3( ix) of the Order is not applicable.
- (x) Based on the audit procedures performed for reporting on the true & fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers / employees has been noticed or reported during the year under audit .
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company ; hence, Para3( xii) of the Order is not applicable.
- (xiii) Transaction(s) with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 , and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review; hence, Para3( xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence, Para3( xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ; hence, Para (xvi) of the Order , is not applicable.

Place: Kolkata  
Date: 25th September, 2020

For A K Dubey & Co.  
Chartered Accountants  
Firm Registration No. 329518E



*Arun Kumar Dubey*  
Arun Kumar Dubey  
Partner  
Membership No - 057141  
UDIN: 20057141AAAA BK4211

**ARADHANA INVESTMENTS LIMITED**  
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2020**

Particulars	Note No.	As At March 31, 2020 (Rs.)	As At March 31, 2019 (Rs.)
<b>I ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant and Equipment	5	100251671	116065623
(b) Financial Assets			
i) Investments	6	1894704570	1809835083
ii) Loans	7	3872388	3809888
iii) Other financial assets	8	27500000	-
<b>2 Current Assets</b>			
(a) Financial Assets			
i) Trade Receivables	9	25055990	51593040
ii) Cash and Cash Equivalents	10	40876561	11728957
iii) Loans	11	161504904	167222980
(b) Current Tax Assets (Net)	12	3988101	1298001
(c) Other Current Assets	13	145500	117000
<b>Total</b>		<b>2257899685</b>	<b>2161670572</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	6000000	6000000
(b) Other Equity	15	2083846222	2024462380
<b>Liabilities</b>			
<b>1 Non- Current Liabilities</b>			
(a) Financial Liabilities			
i) Other Financial Liabilities	16	53244128	41545972
(b) Deferred Tax Liabilities (Net)	17	81574527	53463921
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
Trade Payables	18	26222458	29414790
(b) Other Current Liabilities	19	7012350	6783509
<b>Total</b>		<b>2257899685</b>	<b>2161670572</b>
Overview and Significant Accounting Policies Accompanying notes form an integral part of the financial statements.	1-4		

As per our report of even date

For A K Dubey & Co

Firm Reg No. 329518E

Chartered Accountants

  
(A.K. Dubey)  
Partner

Membership No. 057141

UDIN: 20057141AAAABK4211

Place : Kolkata

Date : 25/09/2020



For and on Behalf of Board of Directors



J.K. Kankaria  
Managing Director  
DIN:- '00409918

  
Shilpa Agarwal  
Company Secretary



R.K. Lunawat  
Director & CFO  
DIN:- '00381030

  
Pankaj Bothra  
Director  
DIN:- '00329988



**ARADHANA INVESTMENTS LIMITED**

**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31,2020**

Particulars	Note No.	As At March 31, 2020 (Rs.)	As At March 31, 2019 (Rs.)
I Revenue From Operation	20	194316428	197117817
II Other Income	21	10104163	93655553
<b>III Total Revenue (I+II)</b>		<b>204420591</b>	<b>290773370</b>
<b>IV Expenses</b>			
Employee Benefits Expenses	22	9113055	8638525
Depreciation And Amortization Expenses	23	18618592	22078762
Other Expenses	24	59244473	145455274
<b>Total Expenses</b>		<b>86976120</b>	<b>176172561</b>
<b>V Profit/(loss) Before Exceptional Items and Tax (III-IV)</b>		<b>117444471</b>	<b>114600809</b>
VI Exceptional Items		-	-
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>117444471</b>	<b>114600809</b>
<b>VIII Tax Expenses</b>			
Current Tax	25	25600000	41800000
Deferred Tax	17	28110605	(17497050)
Income tax Adjustment		4350024	-
		<b>58060629</b>	<b>24302950</b>
<b>IX Profit (Loss) For The Period (VII-VIII)</b>		<b>59383842</b>	<b>90297859</b>
<b>X Other Comprehensive Income</b>	26		
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax effect on above		-	-
<b>Total Other Comprehensive Income</b>		-	-
<b>XI Total Comprehensive Income For The Year (IX+X)</b>		<b>59383842</b>	<b>90297859</b>
<b>XII Earnings per Shares of Rs. 10/- each</b>	28		
1) Basic		98.97	150.50
2) Diluted		98.97	150.50
Overview and Significant Accounting Policies	1-4		
Accompanying notes form an integral part of the financial statements			

**As per our report of even date**

**For A K Dubey & Co**

Firm Reg No. 329518E

Chartered Accountants



*(A.K. Dubey)*  
Partner

Membership No. 057141

UDIN: 20057141AAAABK4211

Place : Kolkata

Date :25/09/2020

**For and on Behalf of Board of Directors**

*J.K. Kankaria*

**J.K. Kankaria**  
Managing Director  
DIN:- '00409918

*R.K. Lunawat*

**R.K. Lunawat**  
Director & CFO  
DIN:- '00381030

*Shilpa Agarwal*

**Shilpa Agarwal**  
Company Secretary

*Pankaj Bothra*

**Pankaj Bothra**  
Director  
DIN:- '00329988

## ARADHANA INVESTMENTS LIMITED

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

Amount(Rs)

PARTICULARS	For the year ended 31/Mar/20	For the year ended 31/Mar/19
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) Before Tax	117444471	114600809
<b>Adjustments for:</b>		
Depreciation, amortization and impairment expenses	18618592	22078762
Net (Gain) / Loss on Sale Of Investment	(1762340)	(67,706,944)
(Gain)/ Loss on fair value of current investment	14826110	103607282
Interest Income	(81668786)	(65098409)
Dividend Income	(5889200)	(5459068)
Rent Earned During The Year	(91098037)	(102054595)
<b>Operating Profit/(loss) before Working Capital changes</b>	(29529190)	(20032163)
<b>Adjustments for:</b>		
Trade Receivables & Other receivable	1974026	(92,541,164)
Trade & other Payables	(2963491)	(4,607,041)
<b>Cash generated (used) in /from Operations before tax</b>	<b>(30518655)</b>	<b>(117180368)</b>
Direct Taxes (paid)/refund (net)	(29950024)	(41800000)
<b>Net cash flow (used) in/ from Operating Activities</b>	<b>(60468679)</b>	<b>(158980368)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Acquisition)/Sale of Property, Plant & Equipment	(2804640)	(909065)
Acquisition of Investments	(163240252)	(151824960)
Sale of Investments	123544655	-
Net (Gain) / Loss on Sale Of Investment	1762340	296095378
Movement in Fixed Deposits	(60000000)	(20000000)
Interest Income Received	81668786	65098409
Dividend Income Received	5889200	5459068
Rent Received	91098037	102054595
<b>Net cash flow (used) in/ from Investing Activities</b>	<b>77918126</b>	<b>295973425</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	-	-
Proceeds from /(repayment) of Borrowings (net)	11698157	(137147699)
Repayment of Short Term Borrowings	-	-
Finance Costs	-	-
<b>Net cash (used) in/ from Financing Activities</b>	<b>11698157</b>	<b>(137147699)</b>
<b>Net cash (used) in/ from Operating, Investing &amp; Financing Activities</b>	<b>29147604</b>	<b>(154641)</b>
Opening balance of Cash and Cash equivalent	11728957	11883595
<b>Closing balance of Cash &amp; Cash equivalent</b>	<b>40876561</b>	<b>11728957</b>
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following :-		
i) Cash Balance on Hand	32185	32570
ii) Balance with Banks :		
-In Current Accounts	40844376	11696387
<b>Total</b>	<b>40876561</b>	<b>11728957</b>

As per our report of even date

For A K Dubey &amp; Co

Firm Reg No. 329518E

Chartered Accountants

A.K. Dubey

Partner

Membership No. 057141

UDIN: 20057141AAAABK4211

Place : Kolkata

Date :25/09/2020



*J.K. Kankaria*  
J.K. Kankaria  
Managing Director  
DIN- '00409918

*Shilpa Agarwal*  
Shilpa Agarwal  
Company Secretary

*R.K. Lunawat*  
R.K. Lunawat  
Director & CFO  
DIN: '00381030

*Pankaj Bothra*  
Pankaj Bothra  
Director  
DIN:- '00329988

For and on Behalf of Board of Directors



## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

		(Rs.)
<b>A Equity Share Capital</b>		<b>Amount</b>
Equity Share Capital as on 1st April 2018		6000000
Movement during the year 2018-19		-
<b>Equity Share Capital as on 31st March 2019</b>		<b>6000000</b>
Movement during the year 2019-20		-
<b>Equity Share Capital as on 31st March 2020</b>		<b>6000000</b>

Particulars	Reserves & Surplus		Total
	(Rs.)		
	General reserves	Retained earnings	
<b>Balance as at March 31, 2018</b>	1445868301	488296220	1934164521
-Profit or Loss for the year	-	90297859	90297859
-Movement during the year	-	-	-
<b>Balance as at March 31, 2019</b>	<b>1445868301</b>	<b>578594079</b>	<b>2024462380</b>
-Profit or Loss for the year	-	59383842	59383842
-Movement during the year	-	-	-
<b>Balance as at March 31, 2020</b>	<b>1445868301</b>	<b>637977921</b>	<b>2083846222</b>

As per our report of even date

For A. K. Dubey &amp; Co.,

Chartered Accountants

(Firm Regn. No. 329518E)

  
 (A.K. Dubey)  
 Partner  
 (M. No. 057141)  
 UDIN: 20057141AAABK421



Place: Kolkata

Date: 25/09/2020

For and on Behalf of Board of Directors

  
 J.K. Kankaria  
 Managing Director  
 DIN:- '00409918

  
 R.K. Lunawat  
 Director & CFO  
 DIN:- '00381030

  
 Shilpa Agarwal  
 Company Secretary

  
 Pankaj Bothra  
 Director  
 DIN:- '00329988

## ARADHANA INVESTMENTS LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

#### 1 Overview

Aradhana Investments Limited ("the Company") is a public limited company domiciled in India. The registered office of the Company is located at 5, Middleton Street, Kolkata 700071. The shares of the Company are listed on Calcutta Stock Exchange Association Ltd. The Company is engaged in the business of power generation, financing, investment and real estate.

#### 2 Basis of preparation of financial statements

2.1 These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP').

The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 'First-time adoption of Indian Accounting Standards'. The transition was carried out from accounting principles generally accepted in India ('Indian GAAP') which is considered as the previous GAAP, as defined in Ind AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2016 and March 31, 2017 and on the net profit and material adjustments to cash flows for the year ended March 31, 2017 is disclosed in Note 36 to these financial statements.

The standalone financial statements provide comparative information in respect of previous year. In addition, the company presents balance sheet as at the beginning of previous year which is the transition date to Ind AS.

#### 2.2 Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following (to the extent applicable):

- Certain financial assets and liabilities - that is measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

#### 2.3 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency.

#### 2.4 Current or Non current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i.) The asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii.) The asset is intended for sale or consumption;
- iii.) The asset/liability is held primarily for the purpose of trading;
- iv.) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v.) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi.) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

#### 3 Key Accounting Judgements, Estimates & Assumptions:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the accompanying disclosures at the date of the financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.





#### **Income Tax**

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets/ liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

#### **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **Contingencies**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### **Property, plant and equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

- Measurement of defined benefit obligations;
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Impairment test of financial and non-financial assets;
- Recognition and measurement of provisions and contingencies;
- Fair value measurement of financial instruments

### **4 Significant Accounting Policies**

#### **4.1 Basis of measurement**

The financial statements have been prepared under the historical cost convention on the accrual basis, except for the following assets and liabilities which have been measured fair value

- Property, Plant & Equipment (at fair value as deemed cost as at 1st April 2016);
- Financial assets and liabilities except certain investments, Loans and borrowings carried at amortised cost;

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees thereof, except otherwise stated.

#### **4.2 Property, plant and equipment**

##### **i) Recognition and measurement**

On transition to Ind AS, the Company has adopted optional exception under Ind AS 101 to measure Property, Plant and Equipment at historical cost as deemed cost. Consequently the written down value has been assumed to be deemed cost of Property, Plant and Equipment (PPE) on the date of transition.

An asset is recognised as property, plant and equipment when it qualifies the recognition criteria as specified in Ind AS 16. Following initial recognition, items of Property, Plant and Equipment are carried at its cost, net of available duty/tax credits, less accumulated depreciation and accumulated impairment losses if any. Costs include costs of acquisitions or constructions including incidental expenses thereto, borrowing costs, and other attributable costs of bringing the asset to its working condition for its intended use.

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Costs in nature of minor repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from discard/sale of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is discarded / sold.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development, other expenditure (including trial run / test run expenditures) during construction / erection period (net of income) pending allocation/capitalization as at the balance sheet date.



**(ii) Depreciation**

Depreciation on property, plant and equipment at deemed cost is provided at the rates and in the manner specified in Schedule II of the Companies Act, 2013 and in respect of assets added/disposed off during the year on pro-rata basis with reference to the date of its use / disposal/residual value.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**4.3 Impairment**

The carrying amount of Property, Plant & Equipment, Intangible assets and cash generating assets are reviewed at each Balance Sheet date to assess impairment, if any based on internal / external factors. An asset is treated as impaired when the carrying cost of asset or exceeds its recoverable value being higher of value in use and fair value less cost of disposal. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been an improvement in recoverable amount.

**4.4 Financial Instruments**

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

**i) Initial recognition**

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added/deducted respectively to the fair value on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

**ii) Subsequent measurement**

**(a) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are recognised in OCI except the recognition of impairment gains or losses, interest revenue calculated using the Effective Interest Rate (EIR) method and foreign exchange gains and losses which are recognised in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss.

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

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

**(d) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss (FVTPL) includes financial liability held for trading and financial liability designated upon initial recognition as at fair value through profit and loss.

**(e) Investment in subsidiaries**

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements.

**iii) Impairment of financial assets**

Financial assets, other than debt instruments measured at FVTPL and Equity instruments are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on all financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**iv) Derecognition  
Financial Assets**





Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

#### **Financial liabilities**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expires.

#### **v) Reclassification of Financial Assets and Financial Liabilities**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **vi) Derivative financial instruments**

Derivative instruments such as forward currency contracts are used to hedge foreign currency risks, and are initially recognized at their fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. A hedge of foreign currency risk of a firm commitment is accounted for as a fair value hedge. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

#### **vii) Offsetting**

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

#### **4.5 Fair value measurement**

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

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

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

#### **4.6 Inventory**

Inventory are valued at lower of cost, computed on weighted average basis, or net realizable value. Cost of inventories includes in case of raw material, cost of purchase including taxes and duties net of tax credits/GST and incidental expenses; in case of work-in-progress, estimated direct cost including taxes and duties net of credit credits and appropriate proportion of administrative and other overheads; in case of finished goods, estimated direct cost including taxes and duties net of tax credits/GST and appropriate administrative and other overheads including other cost incurred in bringing the inventories to the present location and conditions; and in case of traded goods, cost of purchase and other costs incurred in bringing the inventories to the present location and conditions.

The obsolete/damaged items of inventories are valued at estimated realisable value.

#### **4.7 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects, when appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote or the amount cannot be estimated reliably. Contingent liabilities are not recognised but are disclosed in notes. Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.



#### 4.8 Revenue Recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and rebates granted by the Company.

#### 4.9 Operating /Other income

##### Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate. Interest income is included in other income in the statement of profit and loss.

##### Dividends

Dividend income is recognised when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

#### 4.10 Employee Benefits

##### Short term employee benefits

Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### 4.11 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds.

#### 4.12 Taxes on Income

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided on temporary difference arising between the tax bases of assets & liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rate that are expected to apply in the year when the asset is realized or the liability is settled based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax asset is recognized to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carry forward unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Minimum Alternate tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

##### a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under

the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### b) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.





Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

#### **4.13 Segment Reporting**

Segment has been identified in line with the Indian Accounting Standard on Segment Reporting ( Ind AS 108 ), taking into account the organisational structure and as well as the differential risk and returns of these segments. Details of each services are as under :-

(a) Rent from Property

(b) Trading

(c) Financing & Income from investments etc.

(d) Wind & Solar Power

#### **4.14 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, bank balance, short-term deposits with original maturities of three months or less and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **4.15 Earning per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR - 2019-20

(Figures in Rupees)

Note - 5: Property, Plant & Equipment

Particulars	Land at Kolaba	Land at Ghate	Land at Falper	Building at Kolaba	Wind Power Mills	Solar Panel	Air Conditioner	A.C Plant	Computer	Refrigerator	Fire Fighting Equip	Lift	Furniture & Fixtures	Office equipment	Water Installation	Motor Car	Total
<b>Gross carrying value</b>																	
As at April 01, 2018	1140962	1000000	5533200	19861027	60190000	162399000	5067900	6114131	276070	1073006	654031	1833168	622734	619552	205410	3000000	27374806
Disposal:									2566			798000		87500			909663
Balance as at March 31, 2019	1140962	1000000	5533200	19861027	60190000	162399000	5067900	6114131	301635	1373806	654031	2651068	622734	707052	205410	3000000	27365840
As at March 31, 2020	1140962	1000000	5533200	19861027	60190000	162399000	5619599	6134131	301635	1443336	624231	3654068	622734	707052	205410	3000000	27648741
<b>Depreciation</b>																	
As at April 01, 2018	-	-	-	(113247024)	(40071636)	(22646466)	(2232906)	(4644715)	(275867)	(1373806)	(502643)	(1486637)	(615616)	(381870)	(27005)	(1344877)	(13354471)
Disposal for the year 18-19	-	-	-	(816407)	(53991)	(20254236)	(118764)	(416074)	(198)		(25796)	(251621)	(1943)	(22273)	(13152)	(297086)	(2202864)
Balance as at March 31, 2019	-	-	-	(11401190)	(45849726)	(73104721)	(22723026)	(4910480)	(277865)	(1373806)	(527437)	(1738058)	(617659)	(613891)	(432449)	(1364963)	(15367318)
Disposal for the year 19-20	-	-	-	(396578)	(15460)	(1188139)	(135431)	(217854)	(138423)	(231918)	(20552)	(461294)	(1348)	(11449)	(238)	(104271)	(1781892)
As at March 31, 2020	-	-	-	(11797768)	(45950185)	(76220640)	(23605457)	(5098934)	(291688)	(1605724)	(537989)	(2199342)	(619103)	(625340)	(432687)	(1469234)	(17149210)
<b>Net carrying value</b>																	
Balance as at March 31, 2018	1140962	1000000	5533200	9536903	198734	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962
Balance as at March 31, 2019	1140962	1000000	5533200	9536903	198734	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962
Balance as at March 31, 2020	1140962	1000000	5533200	9536903	198734	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962	1140962





**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR - 2019-20**

**Note No. 6- Investments**

	Face Value (Rs.)	As at 31.03.2020		As at 31.03.2019	
		Nos.	Amount (FMV) (Rs.)	No.	Amount (FMV) (Rs.)
<b>(A) Investment In Quoted Shares</b>					
Auckland International Ltd.	10	558205	5582050	558205	5582050
Awanti Fibre & Industries Ltd.	10	-	-	10000	30000
Balmer Lawrie Investments Ltd.	10	69321	21025059	69321	26986665
Bandhan Bank Ltd.	10	1136	212205	-	-
Bhel - Bonus	2	2500	52000	2500	187375
Binod Jute & Fibre Ltd.	10	35800	358000	35800	358000
Catholic Syrian Bank Ltd.	10	5000	570250	-	-
Coal India Ltd.	10	20000	2820000	20000	4744000
Cox & Kings Ltd.	10	10000	5500	-	-
Exide Industries Ltd	1	10000	1320000	10000	2187000
Gas Authority of India Ltd. ( Bonus 3554 shares)	10	7108	615553	3554	1235548
Gruh Finance Ltd.	2	-	-	2000	551600
HCL Technologies Ltd.-( Bonus 1000 )	2	2000	957500	1000	1087450
HDFC Bank Ltd.	1	20000	16549700	10000	23189000
HPCL - Bonus	10	500	92700	500	141925
Indraprastha Gas Ltd.	10	27500	10495375	27500	8399875
IOC - Bonus	10	4000	332800	4000	651400
ILFS Ltd. (Pref)	10	-	-	400	3000000
ITC Ltd.	1	160500	29235525	160500	47708625
L&T Finance Holdings Ltd.	10	10000	510500	10000	1525500
Mahindra & Mahindra - Bonus	5	1000	271000	1000	673900
Mannapuram General Finance Co Ltd.	2	10000	935500	10000	1253000
NMDC Ltd.	1	10000	791000	10000	1044500
ONGC Ltd.- Bonus	5	21680	1431992	21680	3463380
Pillani Investments Ltd.	10	1000	1161050	1000	2154200
Power Finance Corpn.Ltd.	10	-	-	30000	3693000
State Bank of India	1	26000	4809300	26000	8339500
Sunpharma Advanced Research Ltd.	1	2516	347334	2516	480808
Sunpharma Ind.Ltd.	1	114000	41664300	114000	54588900
Sun Pharma Ind Ltd.	1	1000	343150	1000	478850
Tech Mahindra Ltd.	2	-	-	200	155180
Vedanta Ltd.	1	5000	318250	-	-
			<b>142807593</b>		<b>203891231</b>
<b>(B) Investment In Shares of Associate Company</b>					
<b>Unquoted Fully Paid-Up</b>					
Aradhana Multimax Ltd.	10	449940	46631782	449940	43297726
			<b>46631782</b>		<b>43297726</b>
<b>(C) Investment In EquityShares of Subsidiary Company</b>					
<b>Unquoted Fully Paid-Up</b>					
Padmavati Tradelink Ltd	10	11805000	467596050	11805000	462555315
			<b>467596050</b>		<b>462555315</b>



**(D) Investment In Equity Shares****Unquoted Fully Paid-Up**

Auckland Jute Co.Ltd.	10	350	29187	350	24283
APR Ltd.	10	50	331	50	331
Awanti Fibre & Industries Ltd.	10	10000	30000	-	-
Cochin International Airport Ltd.	10	1257	212850	1257	212850
Catholic Syrian Bank Ltd.	10	-	-	5000	50000
Eastern Investment Ltd.	10	500	5000	500	5000
Emgee Cables & Communication Ltd.	10	1000	4000	1000	4000
H.C.Commercial Ltd.	10	153333	65480858	153333	55635346
IES Properties Ltd.	10	33250	4619755	33250	4242368
ILFS Ltd. (Pref)	10	400	51520	-	-
JKK Finance Ltd.	10	80000	10972800	80000	10733600
Mahabir Vanijya P.Ltd.	10	150000	25269000	150000	24528000
Sarangpur Cotton Mfg.Co.Ltd.	10	2	200	2	200
The Calcutta Stock Exchange Asso.Ltd.	1	14907	14907	14907	14907
Metropolitan Stock Exchange Ltd.	1	400000	400000	400000	400000
The New Swedeshi Mills of Ahmedabad Ltd	10	14	364	14	364
			<b>107090772</b>		<b>95851248</b>

**(E) Investment in Government Securities****Unquoted**

Face Value	As at 31.03.2020		As at 31.03.2019		
	Nos.	Amount (FMV)	No.	Amount (FMV)	
Exim Bank 8.60% - 31.03.2022	1000000	322	322000000	322	322000000
HDFC Bank 8.85% - 31.05.2022	1000000	100	106409900	100	100000000
IREDA 7.49% - 20.01.31 Tax free	1000	10218	11485032	10218	10218000
IREDA 8.55% - 13.03.29 Tax free *	1000	20000	20000000	20000	20000000
Ind.Infrastructure Finance - 8.66% - 2034 - Tax free *	1000	10000	10000000	10000	10000000
IRFC -7.28% 2030 Tax Free	1000	9060	9947880	9060	9060000
IRFC 7.64%-2031 - Tax free *	1000	10000	11800000	10000	10000000
Nabard 0% - August 2020	20000	1000	14000000	1000	20000000
NHAI 8.20% - 2022 - Tax free Bond **	1000	39558	43205834	39558	39558000
NHAI - 7.28% - 2030 Tax free Bond	1000000	50	56931250	50	50000000
NHAI 7.39% 09.03.31- tax free *	1000	26016	26016000	26016	26016000
NHAI -7.39% - 2031 Tax free Bond	1000000	50	61288073	50	50000000
NHB 8.76% - 2034 - Tax free Bond *	5000	2166	10830000	2166	10830000
IRFC Tax - 8.10% - 2027 - Tax free Bond *	1000	10875	12913301	10875	10875000
PFC 8.30% - 2027 Tax free Bond	1000	15696	18756720	15696	15696000
NHAI 8.50% - 2029 - Tax free Bond *	1000	20000	20000000	20000	20000000
REC 0% - December 2020	30000	520	15600000	520	15600000
			<b>771183990</b>		<b>739853000</b>





**(F) Other Investments****In Mutual Funds****Un Quoted**

Face Value	Nos.	Amount	Nos.	Amount
		FMV		FMV
50000000	1	101021972	1	59343090
10	97425	38728646	97425	35963274
	-	-	115518	1739688
	44947	1224810	-	-
	9780	332323	9780	388362
	44021	5750484	44021	7366501
	728309	29740734	728309	27094349
	961095	13419383	961095	12360065
	1161219	12415872	1161219	12434800
	558699	13832279	558699	20188602
	3900	-	3900	-
	505123	9843192	505123	13120535
	3798	618698	3798	1083185
	9000	257453	9000	294476
	5850	1205195	5850	1729280
	37133	1003342	37133	1280356
		<b>229394383</b>		<b>194386563</b>

Avendus Absolute Fund

Birla Sunlife G Sec MF

BOI Axa Equity Debt balancer Fund Growth

BOI Axa Large &amp; Mid Cap Equity Fund Growth

Canara Robeco Consumer Trends Mutual Fund

PGIM India Large Cap Fund - Regular Plan - Growth

HDFC Gilt MF

IDFC Corporate Bond Fund

Kotak Arbitrage MF

L &amp; T India Value MF

Master Gain 1992 of UTI

Motilal Focused Multicap 35 MF

Nippon (Reliance) India Banking Mutual Fund

SBI Magnum 1990

ICICI Prudential Multicap MF

Invesco India Growth Op. MF

**In Fixed Deposits (Other than with Banks)**

FD with PNB Housing

FD with HDFC Ltd.

50000000

80000000

**359394383**

50000000

20000000

**264386563****Total Investments- Non Current (A+B+C+D+E+F)-  
fair value****1894704570****1809835083****Total Book Value(at cost)****1734280230****1634584634****Fair Valuation Gain/(Loss)****160424340****175250449**

(\*) All the units of these bonds are pledged with HDFC BANK for availing their overdraft facilities(A/c no : 97435)

(\*\*) 10000 units of such securities are pledged with HDFC BANK for availing their overdraft facilities(A/c no : 97435)



**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20**

	31.03.2020 (Rs.)	31.03.2019 (Rs.)
<b>Note No -7 LOANS</b>		
Security Deposits	3872388	3809888
	<b>3872388</b>	<b>3809888</b>
<b>Note No -8 OTHER FINANCIAL ASSETS</b>		
Bank Balance (Maturity period more than 12 months)	27500000	-
	<b>27500000</b>	<b>-</b>
<b>Note No -9 TRADE RECEIVABLES</b>		
-Trade Receivable Considered Good- Unsecured	25055990	51593040
-Trade Receivable Considered Doubtful- Unsecured	-	-
	<b>25055990</b>	<b>51593040</b>
<b>Note No -10 CASH &amp; CASH EQUIVALENTS</b>		
-Balances with banks		
In Current Accounts	40787901	11570324
Overdraft ( Debit Balance)	56475	126063
-Cash on hand	32185	32570
	<b>40876561</b>	<b>11728957</b>
<p>The overdraft facility is availed from HDFC Bank Ltd against pledged of securities ( bonds marked with asterk * , ** in Note 6 Of Non- Current investment).</p>		
<b>Note No -11 LOANS</b>		
- Loans Receivable Considered Good- Unsecured	149279439	167222980
- Loans Receivable Considered Doubtful- Unsecured	12225465	-
	<b>161504904</b>	<b>167222980</b>
<b>Note No- 12 CURRENT TAX ASSETS/(LIABILITIES) (NET)</b>		
Advance Income Tax	102000000	121400000
Tax Deducted at source	46788101	62406617
Income Tax Refundable	-	691384
Less: Provision for Income Tax	(144800000)	(183200000)
	<b>3988101</b>	<b>1298001</b>
<b>Note No -13 Other current assets</b>		
Other Advances (Staff Advances)	145500	117000
	<b>145500</b>	<b>117000</b>





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

## Note-14 EQUITY SHARE CAPITAL

Particulars	(Rs.)	(Rs.)
	As at March 31, 2020	As at March 31, 2019
<b>Authorised</b>		
7,50,000 Equity Shares, Par value Rs. 10 each	7500000	7500000
25,000 Preference Shares, Par Value Rs. 100 each	2500000	2500000
	<b>10000000</b>	<b>10000000</b>
<b>Issued, subscribed and fully paid up</b>		
6,00,000 Equity Shares, Par value Rs. 10 each	6000000	6000000
	<b>6000000</b>	<b>6000000</b>

## (i) Reconciliation of number of shares and share capital outstanding at the beginning and end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	600000	6000000	600000	6000000
Add: Shares issued	-	-	-	-
<b>Number of shares at the end</b>	<b>600000</b>	<b>6000000</b>	<b>600000</b>	<b>6000000</b>

## (ii) Rights, preferences and restrictions attached to shares

The company has two class of shares having a par value Rs. 10/- & Rs.100/- each. Each holder of equity shares is entitled to one vote per share.

## (iii) During the five years immediately preceding 31st March, 2019, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

## (iv) The details of shareholders holding of 5% or more shares ,are given below :-

Name of Shareholders	As at. 31.03.2020		As at. 31.03.2019	
	No. of Shares	% held	No. of Shares	% held
Reliance Traders & Investment (P) Ltd	88600	14.77%	88600	14.77%
Poonam Dugur	93000	15.50%	93000	15.50%
Divya Dugar	93000	15.50%	93000	15.50%
H.C Commercial Ltd	106850	17.81%	106850	17.81%
Russel Properties Private Ltd	32500	5.42%	32500	5.42%
Binod Jute & Fibre Limited	49650	8.28%	49650	8.28%

## Note - 15 Other equity

Particulars	(Rs.)	(Rs.)	(Rs.)
	General reserves	Retained earnings	Total
<b>Balance as at March 31, 2018</b>	1445868301	488296220	1934164521
-Profit or Loss for the year	-	90297859	90297859
-Movement during the year	-	-	-
<b>Balance as at March 31, 2019</b>	<b>1445868301</b>	<b>578594079</b>	<b>2024462380</b>
-Profit or Loss for the year	-	59383842	59383842
-Movement during the year	-	-	-
<b>Balance as at March 31, 2020</b>	<b>1445868301</b>	<b>637977921</b>	<b>2083846222</b>



## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

	As at 31.03.2020 (Rs.)	As at 31.03.2019 (Rs.)
<b>Note No-16 Other Financial Liabilities</b>		
Security Deposit		
-From others	53244128	41545972
	<b>53244128</b>	<b>41545972</b>
<b>Note No-17 Deferred Tax Liabilities (Net)</b>		
Deferred tax assets/ liabilities are attributable to the following items;		
<b>Deferred Tax Aseets</b>		
-Disallowance under section 43B	1566822	1659086
<b>Sub- Total (a)</b>	1566822	1659086
<b>Deferred Tax Liabilities</b>		
Deferred tax assets/ liabilities are attributable to the following items;		
-Difference Of WDV	(21122068)	(24952567)
-Fair valuation of investment	(62019280)	(30170440)
<b>Sub- Total (b)</b>	<b>(83141348)</b>	<b>(55123007)</b>
<b>Net Deferred Tax Assets/ (Liability) (a) + (b)</b>	<b>(81574527)</b>	<b>(53463921)</b>
<b>Note No-18 Trade Payable</b>		
Due to Micro, Small & Medium Enterprises	-	-
Due to others	26222458	29414790
	<b>26222458</b>	<b>29414790</b>
<b>No amount is due to Micro and Small enterprises , hence the disclosures as per Schedule III of the Companies Act , 2013 in relation to Micro and Small Enterprises , are not applicable.</b>		
<b>Note No-19 Other Current Liabilities</b>		
Statutory dues	1569423	1732388
Managerial Remuneration	3990624	3965262
Others	1452302	1085859
	<b>7012349</b>	<b>6783509</b>





## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR - 2019-20

		31.03.2020	31.03.2019
		(Rs.)	(Rs.)
<b>Note No-20</b>	<b>Revenue from operation</b>		
	<b>Interest</b>		
	Interest (TDS Rs.2287049/- Pr.Yr.1240660/-)	81668786	65098409
	<b>Other Financial Services</b>		
	Rent (TDS Rs.9539777/- Pr.Yr.11219356/-)	91098037	102054595
	Wind Mill Income ( Net )	1795440	2198877
	Income from Solar Plant	18061832	18827297
	Maintenance & Other Charges ( Net )	1692334	8938639
		<b>194316428</b>	<b>197117817</b>
<b>Note No-21</b>	<b>Other Income</b>		
	Dividend	5889200	5459068
	Profit on sale of Investments ( Shares & Securities )	1762340	83884064
	Income from Alternate Investment Fund	1676882	3822880
	Misc.Income	773741	489541
		<b>10104163</b>	<b>93655553</b>
<b>Note No-22</b>	<b>Employee benefits expenses</b>		
	<b>(i) Employees:</b>		
	Salary, Bonus & Allowances	2121906	1744177
	Contribution to Provident Fund	154391	108720
	Gratuity	61294	152790
		<b>2337591</b>	<b>2005687</b>
	<b>(ii) Managerial Remuneration:</b>		
	Salary, Bonus & Allowances	4896000	4800000
	Contribution to Provident Fund	505827	423269
	Commission	1373637	1409569
		<b>6775464</b>	<b>6632838</b>
	<b>Total</b>	<b>9113055</b>	<b>8638525</b>
<b>Note No-23</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation on Property,Plant & Equipment	18618592	22078762
		<b>18618592</b>	<b>22078762</b>



## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

Note No -24 Other Expenses	31.03.2020 (Rs.)	31.03.2019 (Rs.)
<i>Auditor's Remuneration :</i>		
Audit fee	60000	50000
Bad-debts written off	2000000	12571167
Bank Charges	8033	8349
Demat Charges	2525	-
Donation	5821000	2810000
Filing fee	6600	4200
Insurance Charges	17576804	16562123
Certification Fees	36000	15000
Legal & Professional Charges	383283	375320
Listing Fee	25000	25000
Miscellaneous Expenses	123990	101812
Motor Car Expenses	140691	56860
Printing & Stationery	72505	70587
Rates & Taxes	17132532	8139245
Rent	690000	660000
Security Transaction Charges	4712	2288
Staff Welfare	218637	187000
Telephone Charges	10787	35329
Traveling & Conveyance	135264	173712
Loss On Fair Valuation	14826110	103607282
	<u>59244473</u>	<u>145455274</u>





## ARADHANA INVESTMENTS LIMITED

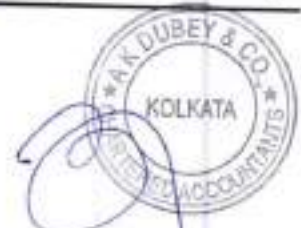
## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

## Note. 25 Tax Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>a) Income tax recognized in profit or loss</b>		
<b>Current tax expense</b>		
Current year		
Tax of earlier year provided / (written back)	25600000	41800000
<b>Deferred tax expense/(income)</b>		
Origination and reversal of temporary differences	28110605	(17497050)
	<b>53710605</b>	<b>24302950</b>

## Note -26 OTHER COMPREHENSIVE INCOME

	For the year ended 31.03.2020 (Rs)	For the year ended 31.03.2019 (Rs)
<b>(A) (i) Items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>Total (A)</b>	-	-
<b>(B) (i) Items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>Total (B)</b>	-	-
<b>Total (A+B)</b>	-	-



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

Note- 27 Contingent liabilities &amp; commitments (as certified by the management)

Particulars	As at March 31, 2020(Rs)	As at March 31, 2019(Rs)
(i) Contingent liabilities:		
(a) Income tax & other tax demands	-	-
(b) Claim against the company not acknowledged as debt	-	-
(c) Bank Guarantees	-	-
(d) Other money for which the company is contingently liable	-	-
(ii) Commitments:		
Estimated amount of capital commitments	-	-

\* It is not possible to predict the outcome of the pending litigations with accuracy, the Company has reviewed all its pending litigations and proceedings and has adequately provided for provisions wherever required and disclosed as contingent liabilities wherever applicable, in its financial statements. The management believe the ending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company. The auditor relied upon management certification of Nil contingent liability & capital commitments.

## Note- 28 EARNING PER SHARE

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Net profit/ (loss) as attributable for equity shareholders	99383842	90297859
(b) Weighted average number of equity shares (Nos.)	600000	600000
(c) Effect of potential Dilutive Equity shares on Employee stock option	-	-
(d) Weighted average number of Equity shares in computing diluted earning per share	-	-
Basic Earnings per Share	98.97	150.50
Diluted Earnings per Share*	98.97	150.50

\*Effect being antidilutive, hence ignored.  
The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

## 29. CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial Assets						
Particulars	Note	Fair Value Hierarchy	As at March 31, 2020		As at March 31, 2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1. Financial assets designated at fair value through profit and loss</b>						
a) Investment	A					
i) In Equity Shares (Quoted)		Level-1	142807593	142807593	203891231	203891231
ii) In Equity Shares (Unquoted)		Level-2	621318604	621318604	601704289	601704289
iii) In Mutual Funds		Level-1	229394383	229394383	194386563	194386563
iv) In Government Bonds		Level-1	771183900	771183900	739853000	739853000
<b>2. Financial assets designated at amortised cost</b>						
	B					
a) Other bank balances		-	-	-	-	-
b) Cash & Cash Equivalents		-	40876561	40876561	11728957	11728957
c) Trade & Other receivables		Level-3	25055990	25055990	51593040	51593040
d) Loans		Level-3	161504904	161504904	167222980	167222980
e) Fixed deposits (Other than bank)		Level-3	130000000	130000000	70000000	70000000
f) Other Financial Assets		Level-3	3872388	3872388	3809888	3809888
<b>3. Investment in subsidiary companies</b>						
	C	Level-2	514227832	514227832	505853041	505853041
*Including Equity Component						
Financial Liabilities						
Particulars	Note	Fair Value Hierarchy	As at March 31, 2020		As at March 31, 2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liability designated at amortised cost</b>						
a) Borrowings	D	Level-3	-	-	-	-
b) Trade & Other Payables	E	Level-3	33234808	33234808	36198299	36198299
c) Other Financial Liability		Level-3	53244128	53244128	41545972	41545972

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

During the year ended March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**The following methods and assumptions were used to estimate the fair values.**

A. Company has opted to fair value its Mutual Fund & Equity Shares investment through profit & loss

B. Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities measured at amortized cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit taken/given/loans to subsidiary and advance to employees) carried at amortized cost is approximately equal to

**Fair value hierarchy**

**Level 1** - Quoted prices/NAV (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

**Note- 30 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES**

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

**Note- 31 Financial risk factors**

The Company's operational activities expose to various financial risks i.e. Market risk, Credit risk and Liquidity risk. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funding by including cost of currency cover also. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

**i. Credit Risk**

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.

**ii. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate risk, interest rate risk, and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

**a. Interest Rate Risk and Sensitivity**

Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiations with the lenders for ensuring the cost effective method of financing.

**Interest Rate Risk Exposure**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	INR	USD	INR	USD
Fixed Rate Borrowings	-	-	-	-
Variable Rate Borrowings	-	-	-	-
<b>Total Borrowings</b>	-	-	-	-

**iii. Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk arising from trade receivable is managed in accordance with the company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk is limited due to the fact that the customer base is large.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	(In %)	
	Year ended March 31st	
	2020	2019
Revenue from top customer	14.25%	16.72%
Revenue from top five customers	52.12%	61.99%

**Credit risk exposure**

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2019 is as follows:

Particulars	Year ended March 31st	
	2020	2019
Balance at the beginning	-	-
Impairment lost reversed	-	-
Additional provision created during the year	-	-
<b>Balance at the end</b>	-	-

The deposits with banks constitute mostly the liquid investment of the company and are generally not exposed to credit risk.

**Ageing Analysis of Trade Receivables**

(Figures, in ₹)

Particulars	As 31st March, 2020			
	Not Due	Less Than Six Months	More than Six Months	Total
Unsecured receivable	-	18591312	6464079	25055390
Provision for Doubtful Receivables	-	-	-	-
<b>Net Balance</b>	-	18591312	6464079	25055390

Particulars	As 31st March, 2019			
	Not Due	Less Than Six Months	More than Six Months	Total
Unsecured receivable	-	49528190	606652	51595042
Provision for Doubtful Receivables	-	-	-	-
<b>Net Balance</b>	-	49528190	606652	51595042



#### iv. Liquidity risk

Liquidity risk refers to risk of financial distress or high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020:

Particulars	Carrying Amount	On Demand	(Figures, in Rs)		Total
			Less than 1 year	More Than 1 Year	
Borrowings					
Trade & Other payables	2622458	-	2622458	-	2622458
Other financial liabilities	53244128	-	-	53244128	53244128

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Carrying Amount	On Demand	(Figures, in Rs)		Total
			Less than 1 year	More Than 1 Year	
Borrowings					
Trade & Other payables	29414799	-	29414799	-	29414799
Other financial liabilities	41545972	-	-	41545972	41545972

#### Note- 32 Competition and Price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

#### Note- 33 Capital Risk Management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

Particulars	(Figures, Rs)	
	As at March 31, 2020	As at March 31, 2019
Borrowings		
Less: cash and cash equivalents	(40870361)	(11728957)
<b>Net debt</b>	<b>340870361</b>	<b>(11728957)</b>
Total Equity*	209546222	2030462380
<b>Capital and Net debt</b>		
Gearing Ratio	1.58%	0.58%

\*Including fair valuation of Property, Plant & Equipment.

Note: Sensitivity analysis for risk management is based on management estimates.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

Note-34 Related Party Disclosure as per Ind AS 24

## A. List of Related Party &amp; Relationship

Name of Related Party	Country of Incorporation	Ownership Interest	
		31st March 2020	31st March 2019
<b>(a) Subsidiary Company</b>			
1 Padmavati Tradelink Ltd.	India	92.90%	92.90%
<b>(b) Associate Company</b>			
1 Aradhana Multimax Ltd.	India	47.36%	47.36%
<b>(b) Key Managerial person</b>			
1 Mr J K Kankaria	Mg.Director		
2 Mr R K Lunawat	Director		
3 Mr Pankaj Bothra	Director		
4 Mrs. Poonam Dugar	Director		
<b>(c) Relative of KMP</b>			
1 Mrs Anuradha Mehta			
2 Mrs Divya Dugar			
<b>(d) Other related parties</b>			
1 Auckland International Ltd.			
2 Jai Kumar Kankaria HUF			
3 Aradhana Multimax Ltd.			
4 Harakh Chand Kankaria Charitable Trust			
5 Vasanti Jai Kankaria Charities			
6 Jai Kankaria Foundation			
7 Shree Chandra Kumar Kankaria Foundation			

## B. Related Party Transaction

(Figures, Rs)

Particulars	Transaction during the year	
	FY 2019-20	FY 2018-19
<b>Investment</b>		
Padmavati Tradelink Ltd.	-	-
<b>Loans &amp; Advances(Given)</b>		
Auckland International Ltd.	166000000	445000000
Padmavati Tradelink Ltd.	99300000	3595000000
<b>Donation</b>		
Jai Kankaria Foundation	600000	
Shree Chandra Kumar Kankaria Foundation	250000	
Harakh Chand Kankaria Charitable Trust	1200000	-
Vasanti Jai Kankaria Charities	600000	-
<b>Remuneration and other perquisites :-</b>		
Jai Kumar Kankaria	6679464	6632838
Anuradha Mehta	476296	470523
Divya Dugar	458700	453299

Particulars	Outstanding Balances at the year ended	
	31st	31st
	March,2020(Rs)	March,2019(Rs)
<b>Loan &amp; Advances (Given)</b>		
Auckland International Ltd.	-	-
Padmavati Tradelink Ltd.	127500000	1295000000
<b>Investment</b>		
Padmavati Tradelink Ltd.	460249917	460199917
<b>Salary / others Payable</b>		
Jai Kumar Kankaria	3373637	3409569
Anuradha Mehta	399471	381875





# ARADHANA INVESTMENTS LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

- 35 Impairment Review**  
 Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit (CGU) or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations.  
 During the year, the testing did not result in any impairment in the carrying amount of goodwill & other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.  
 Key assumptions used in value-in-use calculations are:-  
 (i) Operating margins (Earnings before interest and taxes),  
 (ii) Discount Rate,  
 (iii) Growth Rates and  
 (iv) Capital Expenditure

**36 Segment information**

**36.1 Primary Segment Reporting :**

- (i) Segment has been identified in line with the accounting standard on Segment Reporting (IND AS 108), taking into account the organisational structure and as well as the differential risk and returns of these segments. Details of each services are as under:-  
 a) Rent From Property  
 b) Trading  
 c) Financing & Income From Investments etc.  
 d) Wind & Solar Power

(ii) Information about business segment :

A Income:		Rs.Thousands	
	2019-20	2018-19	
Rent	92790	110993	
Wind & Solar Power	19857	21026	
Others	91773	158754	
Total :	<u>204421</u>	<u>290773</u>	
B Expenses :			
Rent	18462	9101	
Wind & Solar Power	16879	20605	
Other Unallocated Expenses	35341	29706	
Total :	<u>86976</u>	<u>146465</u>	
C Segment Results ( PBIT )			
Rent	74328	101891	
Wind & Solar Power	2978	421	
Others	40138	12288	
Total :	<u>117444</u>	<u>114601</u>	
Profit before tax	117444	114601	
Adjustment for Deferred Tax	(28111)	17497	
Provision / Adjustment for Tax	(29950)	(41800)	
Profit after tax	<u>59384</u>	<u>90298</u>	
D Carrying amount of Segment assets:			
Rent	10468	10244	
Trading	161505	102573	
Wind & Solar Power	88466	117952	
Unallocated Assets	252459	230769	
Total :	<u>2257900</u>	<u>2161673</u>	
E Carrying amount of Segment Liabilities:			
Rent	53244	38694	
Wind Power Mill	---	---	
Unallocated Liabilities	53244	38694	
	114809	92515	
	168053	131208	
Total :	<u>2089847</u>	<u>2030464</u>	
F Net worth			



(Figures in Rs)



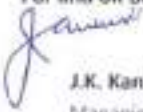


	PARTICULARS	Rent		Wind & Solar Mill		Others		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
G	Capital Expenditure (Unallocated)	2773	798	-	-	32	111	2805	909
H	Depreciation (Allocated & unallocated)	1330	962	16879	20606	410	511	18619	22079

**36.2 Secondary Segment - Geographical :** NIL

- 37 Some of the Financials assets & liabilities including trade receivables, trade payables and advances, are pending for confirmation/ reconciliation, and impact of the same on financial statements, if any, is unascertained.
- 38 Wind Mill & Solar Plant Income shown (net of expenses- Rs.3360267/-) ( previous year Rs.3321867/-)
- 39 Maintenance and other charges shown (net of expenses - Rs.17706003/-) (previous year Rs.17541724/-)
- 40 Interest Income shown (net of payment - Rs.51,975/-) ( previous year Rs.4903552/-)
- 41 Interest on loans has been provided at rate not less than bank rate as declared by Reserve Bank of India.
- 42 The Company has donated Rs. 58.21 lakh (previous year Rs.28.10 Lakh) to recognised trusts for CSR activities referred to in Schedule VII of the Companies Act, 2013. The auditor relied on management certification.
- 43 The outbreak of pandemic COVID 19 have severely impacted and triggered significant disruptions to businesses globally and in India leading to an economic slowdown. Significant disruptions primarily includes decline in market value of investments, unavailability of personnel, closure of offices/facilities, etc. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. The management does not see any medium and long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, and accordingly the impact may be different from that estimated as at the date of approval of these financial statements.
- 44 Figures have been rounded off to the nearest Rupees.
- 45 Previous year figures have been regrouped/ rearranged /recast, wherever

**Notes 1 to 45 are annexed to and form an integral part of the financial statements.**

**SIGNATURE TO NOTE 1 TO 45**

<p><b>For A K Dubey &amp; Co</b> Firm Reg No. 329518E Chartered Accountants</p>  <p>(A.K. Dubey) Partner Membership No. 057141 UDIN: 20057141AAAABK4211</p> <p>Place : Kolkata Date : 25/09/2020</p> 	<p><b>For and on Behalf of Board of Directors</b></p>  <p><b>J.K. Kankaria</b> Managing Director DIN:- 00409918</p>  <p><b>R.K. Lunawat</b> Director &amp; CFO DIN:- 0381030</p>  <p><b>Shilpa Agarwal</b> Company Secretary</p>  <p><b>Pankaj Bothra</b> Director DIN:- 00329988</p>
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**A K DUBEY & CO**  
Chartered Accountants

## **Independent Auditors' Report**

**To The Members of Aradhana Investments Limited**

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

#### **Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Aradhana Investments Limited ("the Holding Company") and its subsidiary- Padmavati Tradelink Limited ( collectively referred to as "the Group") and its associate, Aradhana Multimax Limited, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules , 2015, of the consolidated state of affairs of the Group and its associate as at 31<sup>st</sup> March, 2020, and its consolidated profit, Consolidated total comprehensive income, , its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

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





## **Emphasis of Matter**

We draw your attention to Note 44 of financial statement which explains the management's assessment/evaluation of the financial impact due to lockdown arising with the advent of COVID 19.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate /consolidated financial statements and on the other financial information of the subsidiary & associate, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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.

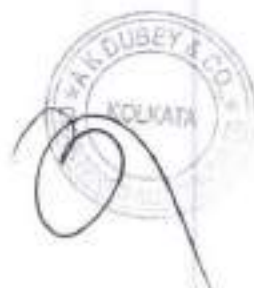
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Consolidated Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including information considered necessary for the preparation of the consolidated Ind AS financial statements.

Furthermore, the respective Board of Directors of the Companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and



design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

### **Auditor's responsibility for the audit of the Consolidated Ind AS 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 Standards on Auditing (SAs) will always detect 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. We also:

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



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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

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

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

#### Other Matters

- (i) We did not audit the financial statements of subsidiary included in consolidated Ind AS financial statements, whose financial statements reflect total assets Rs 8892.79 lakh as at 31st March, 2020, total revenues of Rs 806.82 lakh and net cash inflows amounting to Rs 10.73 lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. The Consolidated Financial statements also included the Group's share of net profit (including other comprehensive income) of Rs 24.60 lakh for the year ended 31<sup>st</sup> March, 2020. These financial statements have been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and 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 subsidiary and associate, is based solely on the reports of the other auditors.





## Report on Other Legal and Regulatory Requirements

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid consolidated Ind AS Financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act & Rules made thereunder.

e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of Holding Company's subsidiary and associate incorporated in India, none of the directors of the Group Companies & associate is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company, its subsidiary company and associate. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company, subsidiary, associate (as applicable) to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements/consolidated financial statements as also the other financial information of the subsidiary & associate company:

i) the Holding Company, its Subsidiary & Associate did not have any pending litigations which would impact its financial position in its financial statements.



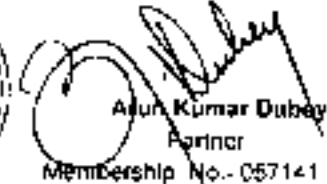
ii) the Holding Company, its Subsidiary & Associate did not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

iii) There is no amount which were required to be transferred, to the Investors Education and Protection Fund by the Holding Company, its Subsidiary & Associate during the year.

Place: Kolkata  
Date: 28th September 2020



For A K Dubey & Co  
Chartered Accountants  
Firm Registration No. 329518E

  
Ajun Kumar Dubey  
Partner  
Membership No.- 057141

JDIN: 20057141 A A A B 6570

## **Annexure "A" to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the Members of Aradhana Investments Limited.)

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

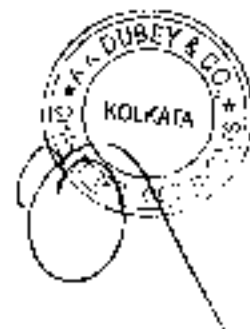
We have audited the internal financial controls over financial reporting of Aradhana Investments Ltd ("the Company") and its subsidiary & associate as of and for the year ended 31<sup>st</sup> March, 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

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

The Company's & its subsidiary & associate company's management, represented by its Board of Director, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its subsidiary & associate company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. These 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 auditors' 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 internal financial controls system over financial reporting of the Company & its subsidiary & associate..

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements, due to error or fraud, may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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, to the best of our information and according to the explanations given to us, the Company and its subsidiary company & associate have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the respective companies 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

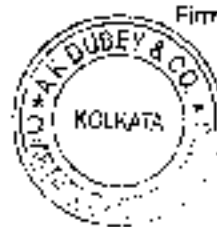
The internal financial controls over financial reporting (IFCOFR) in so far as it relates to Holding company's subsidiary & associate company, have been audited by other auditors whose reports have been furnished to us by the management; and our report on the adequacy and operating effectiveness of the IFCOFR for the Holding Company, its subsidiary & associate companies, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary & associate companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

Place: Kolkata

Date: 28<sup>th</sup> September 2020

For A K Dubey & Co  
Chartered Accountants

Firm Registration No. 329516E



  
Arup Kumar Dubey  
Partner

Membership No.- 057141

UDIN: 20057141AAAR15570

**ARADHANA INVESTMENTS LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020**

Particulars	Note No.	As At	As At
		March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)
<b>I ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant and Equipment	5	695184916	741459207
(b) Financial Assets			
i) Investment	6	1483605739	1401448197
ii) Loans	7	3962388	3809888
iii) Other Financial Assets	8	27500000	-
<b>2 Current Assets</b>			
(a) Financial Assets			
i) Trade Receivables	9	52757745	76885335
ii) Cash and Cash Equivalents	10	42234639	12013965
iii) Loans	11	162010986	33073136
(b) Current Tax Assets (Net)	12	7688533	4095482
(c) Other Current Assets	13	145500	1225644
<b>Total</b>		<b>2475090446</b>	<b>2274010854</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	6000000	6000000
(b) Other Equity	15	2107711612	2045061721
(c) Non Controlling Interest	15	36359204	35912359
<b>Liabilities</b>			
<b>1 Non- Current Liabilities</b>			
(a) Financial Liabilities			
i) Other Financial Liabilities	16	69771353	58073197
(b) Deferred Tax Liabilities (Net)	17	83431876	53497499
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	18	136597043	37837504
ii) Trade Payables	19	26277860	29462670
(b) Other Current Liabilities	20	8941498	8165904
<b>Total</b>		<b>2475090446</b>	<b>2274010854</b>
Overview and Significant Accounting Policies Accompanying notes form an integral part of the financial statements.	1-4		

**As per our report of even date**

**For A K Dubey & Co**

Firm Reg No. 329518E

Chartered Accountants

**(A.K. Dubey)**

Partner

Membership No. 057141

UDIN : 2005714144448715570

Place : Kolkata

Date : 28/09/2020



*J.K. Kankaria*

**J.K. Kankaria**  
Managing Director  
V:- 00409918

*Shilpa Agarwal*

**Shilpa Agarwal**  
Company Secretary

*R.K. Lunawat*

**R.K. Lunawat**  
Director  
DIN:- 00381030

*Pankaj Bothra*

**Pankaj Bothra**  
Director  
DIN:- 00329988



**ARADHANA INVESTMENTS LIMITED**

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	Note No.	As At	As At
		March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)
I Revenue From Operation	21	244877043	254230515
II Other Income	22	10117913	93709000
<b>III Total Revenue (I+II)</b>		<b>254994956</b>	<b>347939515</b>
<b>IV Expenses</b>			
Employee Benefits Expenses	23	9414555	8878525
Depreciation And Amortization Expenses	24	49078930	54105763
Finance Cost	25	3950020	10970399
Other Expenses	26	65131039	150150333
<b>Total Expenses</b>		<b>127574544</b>	<b>224105020</b>
<b>V Profit/(loss) Before Exceptional Items and Tax (III-IV)</b>		<b>127420412</b>	<b>123834495</b>
VI Exceptional items		-	-
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>127420412</b>	<b>123834495</b>
<b>VIII Tax Expenses</b>			
Current Tax	27	32500000	49270000
Deferred Tax	27	29934378	(19385348)
Income tax Adjustment		4349339	-
		<b>66783717</b>	<b>29884652</b>
<b>IX Profit (Loss) For The Period Before Share Of Profit Of Associate (VII-VIII)</b>		<b>60636695</b>	<b>93949843</b>
<b>SHARE OF PROFIT OF ASSOCIATE</b>		<b>2460041</b>	<b>1908420</b>
<b>PROFIT FOR THE YEAR</b>		<b>63096736</b>	<b>95858263</b>
<b>X Other Comprehensive Income</b>	28		
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax effect on above		-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>XI Total Comprehensive Income For The Year (IX+X)</b>		<b>63096736</b>	<b>95858263</b>
<b>Total Comprehensive Income Attributable To-</b>			
<b>XII Earnings per Shares of Rs. 10/- each</b>	29		
1) Basic		<b>105.16</b>	<b>159.76</b>
2) Diluted		<b>105.16</b>	<b>159.76</b>
Overview and Significant Accounting Policies	1-4		
Accompanying notes form an integral part of the financial statements			

As per our report of even date

For A K Dubey & Co

Firm Reg No. 329518E

Chartered Accountants

  
 (A.K. Dubey)  
 Partner  
 Membership No. 057141  
 UDIN : 20057141 AAAA BMS57D

Place : Kolkata

Date : 28/09/2020



For and on Behalf of Board of Directors



J.K. Kankaria  
 Managing Director  
 DIN:- '00409918

  
 Shilpa Agarwal  
 Company Secretary



R.K. Lunawat  
 Director  
 DIN:- '00381030

  
 Pankaj Bothra  
 Director  
 DIN:- '00329988

**ARADHANA INVESTMENTS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020**

<b>PARTICULARS</b>	<b>For The Year Ended Mar-20(Rs)</b>	<b>For The Year Ended Mar-19(Rs)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) Before Tax	127420412	123834496
<b>Adjustments for:</b>		
Depreciation, amortization and impairment expenses	49078930	54105763
Net (Gain) / Loss on Sale Of Investment	(17,62,340)	(8,77,06,944)
(Gain)/ Loss on fair value of current investment	19998095	106995752
Profit On Sale Of PPE	-	-
Finance Costs	1,40,57,846	16136892
Interest Income	(8,23,34,618)	(6,56,75,956)
Dividend Income	(59,02,950)	(54,59,068)
Rent Income	(9,10,98,037)	(10,20,54,595)
<b>Operating Profit/(loss) before Working Capital changes</b>	<b>29457338</b>	<b>40176339</b>
<b>Adjustments for:</b>		
Trade Receivables & Other receivable	(8,25,823)	(9,21,13,416)
Trade & other Payables	(24,16,736)	(65,66,417)
<b>Cash generated (used) in /from Operations before tax</b>	<b>2,62,14,779</b>	<b>(5,85,03,494)</b>
Direct Taxes (paid)/refund (net)	(3,68,49,340)	(4,92,70,000)
<b>Net cash flow (used) in/ from Operating Activities</b>	<b>(1,06,34,561)</b>	<b>(10,77,73,494)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Acquisition)/Sale from sale of Property, Plant & Equipment	(28,04,640)	(9,09,066)
Acquisition of Investments	(16,32,40,252)	(15,22,11,960)
Sale of Investment	12,35,44,655	29,60,95,378
Net (Gain) / Loss on Sale Of Investment	17,62,340	-
Movement in Fixed Deposits	(6,00,00,000)	(2,00,00,000)
Interest Income Received	8,23,34,618	6,56,75,957
Dividend Income Received	59,02,950	54,59,069
Rent Received	9,10,98,037	10,20,54,595
<b>Net cash flow (used) in/ from Investing Activities</b>	<b>7,85,97,708</b>	<b>29,61,63,973</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from /(repayment) of Borrowings (net)	(2,36,84,627)	(17,23,30,846)
Issue Of Shares	-	-
Receipt of Security Deposit	-	-
Finance Costs	(1,40,57,846)	(1,61,36,892)
<b>Net cash (used) in/ from Financing Activities</b>	<b>(3,77,42,473)</b>	<b>(18,84,67,738)</b>
<b>Net cash (used) in/ from Operating, Investing &amp; Financing Activities</b>	<b>3,02,20,674</b>	<b>(77,258)</b>
Opening balance of Cash and Cash equivalent	1,20,13,965	1,20,91,223
<b>Closing balance of Cash &amp; Cash equivalent</b>	<b>4,22,34,639</b>	<b>1,20,13,965</b>
Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following :-		
i) Cash Balance on Hand	56590	57,985
ii) Balance with Banks :		
-In Current Accounts	42178049	1,19,55,980
<b>Total</b>	<b>4,22,34,639</b>	<b>1,20,13,965</b>

As per our report of even date

For A K Dubey & Co

Firm Reg No. 329518E

Chartered Accountants

(A.K. Dubey)  
Partner  
Membership No. 057141  
UDIN : 20057141AAAABM5570

Place : Kolkata  
Date : 28/09/2020

  
J.K. Kankaria  
Managing Director  
DIN:- 00409918

  
Shilpa Agarwal  
Company Secretary

  
R.K. Lunawat  
Director  
DIN:- 00381030

  
Pankaj Bothra  
Director  
DIN:- 00329988

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(Rs.)

## A Equity Share Capital

Particulars	As At 31.03.2020
Equity Share Capital as on 1st April 2018	6000000
Movement during the year 2018-19	-
Equity Share Capital as on 31st March 2019	6000000
Movement during the year 2019-20	-
Equity Share Capital as on 31st March 2020	6000000

(Rs.)

Particulars	Attributable To Owners Of Company				Total Attributable To Owners Of Company	Non Controlling Interest	Total
	Reserves & Surplus						
	Capital Reserve On Consolidation	General Reserves	Securities Premium	Retained Earnings			
Balance as at March 31, 2018	5351245	1445868361	342200000	156275974	1949695529	25420297	1985115817
Balance Of Subsidiary Company	-	-	-	95858263	95858263	492062	96350326
- Profit or Loss for the year	-	-	-	-	-	-	0
- Movement during the year	-	-	-	-	-	-	0
- Preacquisition Profit	-	-	-	-	-	-	0
- Minority's Share till date	-	-	-	(492062)	(492062)	-	(492062)
Balance as at March 31, 2019	5351245	1445868361	342200000	251642175	2045061721	35912359	2080974080
Balance Of Subsidiary Company	-	-	-	63096756	63096756	446845	63543580
- Profit or Loss for the year	-	-	-	-	-	-	-
- Movement during the year	-	-	-	-	-	-	-
- Preacquisition Profit	-	-	-	-	-	-	-
- Minority's Share till date	-	-	-	(646845)	(646845)	-	(646845)
Balance as at March 31, 2020	5351245	1445868361	342200000	314292066	2107711612	36359204	2144070816

As per our report of even date

For A. K. Dubey &amp; Co.

Chartered Accountants

(Firm Regn. No. 329518E)

  
 (A.K. Dubey)  
 Partner

(M.No. 057341)

UDIN: 2005741AAAAD1955710

Place : Kolkata

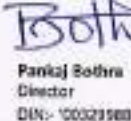
Date : 26/09/2020

For and on Behalf of Board of Directors

  
 J.K. Kankaria  
 Managing Director  
 DIN:- 00408918

  
 B.K. Lunawat  
 Director  
 DIN:- 00351130

  
 Shilpa Agarwal  
 Company Secretary

  
 Parikaj Bothra  
 Director  
 DIN:- 00321988



- 1. Overview**  
Aradhana Investments Limited (the Company) is a public limited company incorporated in India. The registered office of the Company is located at 5, Middleton Street, Kolkata 700027. The shares of the Company are listed in Calcutta Stock Exchange Association Ltd. The Company is engaged in the business of loan origination, financing, investment and real estate.
- 2. Basis of preparation of financial statements**
- 2.1 These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other provisions of the Act to the extent applicable. For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as Indian GAAP).
- The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April 1, 2016 throughout all periods presented, as these policies had always been in effect and are covered by Ind AS 101 'First-time adoption of Indian Accounting Standards'. The transition was carried out from accounting principles generally accepted in India (Indian GAAP) which is considered as the previous GAAP, as defined in Ind AS 101. The transitional effects of the transition from Indian GAAP to the equity as at April 1, 2016 and March 31, 2017 and on the net profit and material adjustments to cash flows for the year ended March 31, 2017 is disclosed in Note 31 of these financial statements.
- The CONSOLIDATED financial statements provide a fair and balanced view in respect of previous year. In addition, the company presents balance sheet as at the beginning of previous year which is the transition date to the AS.
- 2.2 **Basis of measurement**  
The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following to the extent applicable:  
- Certain financial assets and liabilities that is measured at fair value  
- Defined benefit plans - plan assets measured at fair value.
- 2.3 **Functional and presentation currency**  
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Indian National Rupee (INR), which is the Company's functional and presentation currency.
- 2.4 **Current or Non-current classification**  
An asset or liability is classified as current if it is subject to any of the following conditions:  
i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle  
ii) The asset is intended for sale or consumption  
iii) The asset/liability is held primarily for the purpose of trading  
iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period  
v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date  
vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.  
All other assets and liabilities are classified as non-current.  
For the purpose of current/non-current classification of assets and liabilities, the Company has established its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.
- 3. Key Accounting Judgements, Estimates & Assumptions:**  
The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the accompanying disclosures at the date of the financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.
- Income Tax**  
Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date, the carrying amount of deferred tax assets against its. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the CONSOLIDATED financial statements.
- Fair value measurement of Financial Instruments**  
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where that is not feasible, a degree of judgment is required in establishing fair values. Judgment includes considerations of inputs such as liquidity, risk, credit risk and volatility. Changes in assumptions and these factors could affect the reported fair value of financial instruments.
- Contingencies**  
Management judgment is required for estimating the possible outcome of recoveries, if any, in respect of contingent liabilities/obligations against the Company as it is not possible to ascertain the outcome of pending matters with certainty.



#### Property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is dependent on the management's estimate of an asset's expected useful life and the expected residual value at the end of its life. The residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognized in the financial statements are:

- Measurement of defined benefit obligations
- Recognition of deferred tax assets & DTA/credit elements
- Useful life and residual value of Property, plant and equipment and intangible assets
- Impairment test of financial and non-financial assets
- Recognition and measurement of provisions and contingencies
- Fair value measurement of financial instruments

#### 4 Significant Accounting Policies

##### 4.1 Basis of measurement

The financial statements have been prepared under the historical cost convention on the actual basis, except for the following assets and liabilities which have been measured fair value:

- Property, Plant & Equipment (in part) carried at fair value as at 31st April 2019.
- Financial assets and liabilities except certain investments, loans and borrowings carried at amortised cost.

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees/anna, except otherwise stated.

##### 4.2 Property, plant and equipment

###### i) Recognition and measurement

On transition to Ind AS, the Company has adopted optional exemption under Ind AS 101 to measure Property, Plant and Equipment at historical cost as deemed cost. Consequently, the carrying amount has been assumed to be deemed cost of Property, Plant and Equipment (PPE) on the date of transition.

An asset is recognized as property, plant and equipment when it satisfies the recognition criteria as specified in Ind AS 16 relating to initial recognition. Items of Property, Plant and Equipment are stated at its cost net of available budgeted credits less accumulated depreciation and accumulated impairment losses (if any). Costs include costs of acquisitions or construction including incidental expenses (thereof, borrowing costs) and other attributable costs of bringing the asset to its working condition for its intended use.

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Costs in nature of minor repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The carrying amount of an item of property, plant and equipment is derecognized on disposal when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is disposed of/sold.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development other expenditure (including financing cost) and expenditure during construction / erection period (net of income) pending allocation/capitalization as at the balance sheet date.

###### iii) Depreciation

Depreciation on property, plant and equipment at deemed cost is provided at the rates and in the manner specified in Schedule II of the Companies Act, 2013 and in respect of assets added/dropped off during the year on pro-rata basis with reference to the date of its use / disposal/residual value.

The useful lives/residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

##### 4.3 Impairment

The carrying amount of Property, Plant & Equipment, Intangible assets and cash-generating assets are reviewed at each Balance Sheet date to assess impairment arising based on internal/external factors. An asset is treated as impaired when the carrying cost of asset or exceeds its recoverable value being higher of value in use and fair value less cost of disposal. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is considered as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

##### 4.4 Financial instruments

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

###### i) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at the time of recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added/deducted respectively to the fair value of financial liabilities / financial assets and those payables that do not contain a significant financing component are only measured at their transaction price.

###### ii) Subsequent measurement

- (a) Financial assets carried at amortised cost



A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are recognised in OCI, except the recognition or impairment gains or losses, interest revenue calculated using the effective interest rate (EIR) method and foreign exchange gains and losses which are recognised in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss.

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

A financial asset which is not classified in any of the above categories are subsequently measured through profit or loss. Therefore, they are subsequently measured at fair value through profit or loss with all fair value movements recognised in the Statement of Profit and Loss.

**(d) Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. Financial liabilities at fair value through profit and loss (FVTPL) includes financial liabilities for trading and financial liabilities designated upon initial recognition at fair value through profit and loss.

**(e) Investment in subsidiaries**

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements.

**14) Impairment of financial assets**

Financial assets, other than debt instruments measured at FVTPL and Equity investments are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for the expected credit losses on all financial assets in case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109. Financial instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of historical credit loss experience.

**15) Derecognition**

**Financial Assets**

Company derecognises a financial asset when its contractual rights to the cash flows from the financial asset expire or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expires.

**16) Reclassification of Financial Assets and Financial Liabilities**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing these assets. If the company reclassifies financial assets it does so for the business on a prospective basis from the reclassification date, which is the first day of the immediately next reporting period, assuming the change is deemed to be. The company does not restate any previously recognised gains, losses including credit impairment losses or interest.

**17) Derivative financial instruments**

Derivative financial instruments such as forward currency contracts are used to hedge foreign currency risks and are initially recognised at their fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. A hedge of foreign currency risk of a firm commitment is accounted for as a fair value hedge. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

**18) Offsetting**

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

**4.5 Fair value measurement**

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

A fair value measurement of a financial asset or liability is to present a market-based price to generate economic benefits by using the asset in its highest and best use or by settling a liability in a market transaction at its highest and best use.

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

**4.6 Inventory**





Inventories are valued at lower of cost, computed on weighted average basis, or net realizable value. Cost of inventories includes in case of raw material, cost of purchase including taxes and duties net of tax credits/GST and incidental expenses, in case of work-in-progress, estimated direct cost including taxes and duties net of tax credits and appropriate proportion of administrative and other overheads, in case of finished goods, estimated direct cost including taxes and duties net of tax credits/GST and appropriate administrative and other overheads including cost of cost incurred in bringing the inventories to the present location and condition and in case of tested goods, cost of purchase and other costs incurred in bringing the inventories to the present location and condition.

The classification of goods held in inventory are as per use of estimated realizable value.

#### 4.7 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects, when appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

#### 4.8 Revenue Recognition

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and credits granted by the Company.

#### 4.9 Operating /Other Income

##### Interest Income

Interest income is recognised on a time proportion basis having regard to the amount outstanding and the applicable effective interest rate. Interest income is included in other income in the statement of profit and loss.

##### Dividends

Dividend income is recognised when the Company's right to receive dividend is established and is included in other income in the statement of profit and loss.

#### 4.10 Employee Benefits

##### Short term employee benefits

Short term employee benefits are recognised as an expense in the statement of Profit and Loss of the year in which the related services are rendered. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability, factored backward after deducting any amount already paid.

#### 4.11 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds.

#### 4.12 Taxes on Income

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The tax costs and tax assets used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is a liability for temporary difference arising between the tax bases of assets & liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates that are expected to apply in the year when the asset is realized or the liability is settled based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax asset is recognised to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carry forward unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilize all or part of the deferred tax asset to be utilized.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is remaining balance that the Company will pay normal income tax during the specified period.

#### a) Current tax

Current tax comprises the expected tax liability or receivable on the taxable income or loss for the year after taking credit of the benefits available under:

(i) Income Tax Act and any adjustment in the tax payable or receivable in respect of previous years; it is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### b) Deferred tax

Deferred tax is the tax expected to be payable or receivable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, in contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to utilize all or part of the asset to be recovered.



Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to close or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

(i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of credit against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

#### 4.1 Segment Reporting

Segment has been identified in line with the Indian Accounting Standard on Segment Reporting (Ind AS 108) taking into account the organisational structure and systems of the distributed cost and returns of these segments. Details of each segment are as under:

- (a) Real Estate Property
- (b) Trading
- (c) Finance & Investment Services etc.
- (d) Wind & Solar Power

#### 4.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, short term deposits with original maturities of three months or less and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 4.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earnings per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential shares.



**ARADHANÁ INVESTMENTS LIMITED**

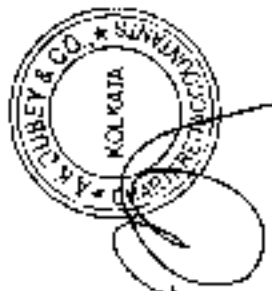
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(Figures in Rupees)

Particulars	Land & Building at Kolkata		Land & Building at Jalpaiguri	Land & Building at Dakshin-Kh. Road	Wind Power Mill	Solar Plant	Air Conditioner	A.C. Plant	Computer	Electric Installation	Furniture & Fixtures	Office Equipment	Water Installation	Motor Car	Total
	Cost	Accumulated Depreciation													
Balance as at March 31, 2018	1140832	997000	581750	1186062	6039000	16399500	3439950	4114311	337258	437916	657944	707052	316410	393000	26104719
Decreases															
As at March 31, 2019	1140832	1000000	581750	1186062	6039000	16399500	3439950	4114311	337258	437916	657944	707052	316410	393000	26104719
As at March 31, 2020	1140832	1000000	581750	1186062	6039000	16399500	3439950	4114311	337258	437916	657944	707052	316410	393000	26104719

**Depreciation**

Particulars	Cost	Accumulated Depreciation	Total
Balance as at March 31, 2018	1140832	997000	2137832
As at March 31, 2019	1140832	1000000	2140832
As at March 31, 2020	1140832	1000000	2140832



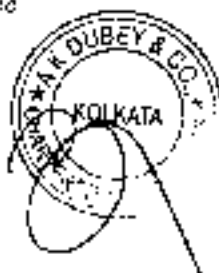


## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## Note No. 6 - Investments

PARTICULARS	Face Value(₹s)	As at 31.03.2020		As at 31.03.2019	
		No.	Amount (₹MV)	No.	Amount (₹MV)+Rs
<b>(A) Investment In Quoted Shares</b>					
Auckland International Ltd	10	840833	13265532	840833	13265532
Award Fibre & Industries Ltd	10	-	-	10000	30000
Balmer Lawrie Investments Ltd	10	19021	21025059	69321	26986665
Bandhan Bank Ltd	10	1739	212205	-	-
Bhe - Bonus	>	2500	52000	2500	107375
Broad Jute & Fibre Ltd.	10	85400	458000	35600	356000
Catholic Syrian Bank Ltd	10	3030	573250	-	-
Coal India Ltd	10	20030	2020000	20000	4744000
Cox & Kings Ltd	10	10000	5500	-	-
Exide Industries Ltd	1	10000	1320000	10000	2167000
Gas Authority of India Ltd	12	7108	615553	3554	1235548
Grub Finance Ltd.	2	-	-	2000	551600
I-CT Technologies Ltd -Bonus	2	2000	957500	1000	1087450
HDFC Bank Ltd	-	30000	16349700	10600	23189000
I-PCL - Bonus	10	300	92400	500	141925
ILFS Ltd (Pref)	10	-	-	400	3000000
Indraprastha Gas Ltd	10	37500	10495375	27500	8339875
IOC - Bonus	10	4000	332800	4000	651400
ITC Ltd	1	160000	29233525	160000	47708620
L&T Finance Holdings Ltd	10	10000	510500	10000	1325500
Mahindra & Mahindra - Bonus	5	1000	271000	1000	673900
Mannapuram General Finance Co Ltd	2	10000	935500	10000	1253000
National Aluminium Co Ltd	5	5000	145250	5000	277000
NMDC Ltd	1	10000	791000	10000	1044500
ONGC Ltd	5	21680	1431992	21680	3463380
Pilani Investments Ltd	10	1050	1101050	1000	2154200
Power Finance Corp Ltd	10	-	-	30000	3590000
State Bank of India	1	26000	4803300	26000	8337500
Sunpharma Advanced Research Ltd	1	2516	347334	2516	480808
Sunpharma Ind Ltd	1	114000	41664300	114000	54588900
Sun Pharma Ind Ltd	1	1000	343150	1000	478850
Tech Mahindra Ltd	2	-	-	200	155180
Medanta Ltd	1	5100	316250	-	-
			<b>150640825</b>		<b>211859713</b>
<b>(B) Investment In Shares of Associate Company</b>					
<b>Unquoted Fully Paid-Up</b>					
Aradhana Multimax Ltd	10	449540	62139196	449940	56345009
			<b>62139196</b>		<b>56345099</b>
<b>(C) Investment In Equity Shares</b>					
<b>Unquoted Fully Paid-Up</b>					
Auckland Jute Co Ltd	10	189452	518536	189452	513632
Arihant Sales Promotion Pvt. Ltd	10	1000	150000	1000	150000
APF Ltd.	10	50	331	50	331
Award Fibre & Industries Ltd	10	10000	30000	-	-
Cochin International Aircraft Ltd	10	1757	210850	1257	212850
Eastern Investment Ltd	10	500	5000	500	5000
Engage Cyber & Communication Ltd	10	1000	4000	1000	4000
Glory Distributors Pvt. Ltd	10	1000	150000	1000	150000
Hotline Sales Pvt. Ltd	10	1000	150000	1000	150000
H C Commercial Ltd	10	213703	78357638	213703	66512096
IES Properties Ltd	10	62650	4913755	62650	4536368
ILFS Ltd (Pref)	10	400	51520	-	-
ICK Finance Ltd	10	80000	10972800	80000	10735600
Mahazir Vanijya P Ltd.	10	242500	35880000	242500	33142000



Morgan Walker Infrastructure Ltd	10	27002	4063000	27000	4063000
Prompt Promoters Pvt. Ltd.	10	1000	150000	1000	150000
Sarangpur Cotton Mfg Co Ltd	10	2	200	2	200
The Calcutta Stock Exchange Asso.Ltd.	1	14907	14307	14907	14507
Metropolitan Stock Exchange Ltd	1	400000	400000	400000	400000
Catholic Syrian Bank Ltd	10	-	-	5000	50000
The New Swedish Mills of Ahmedabad Ltd	10	14	364	14	364
			<u>134027871</u>		<u>122788347</u>

**(D) Investment in Government Securities**

**Unquoted**

	Face Value	As at 31.03.2020		As at 31.03.2019	
		Nos.	Amount (FMV) Rs	No.	Amount (FMV)-Rs
Evim Bank 8.60% - 31.03.2022	1000000	322	3220000.00	322	322000000
HDFC Bank 9.85% - 21.05.2022	1000000	100	106405950	100	100000000
IKEDA 7.49% - 20.01.31 Tax free	1000	10218	11485032	10218	10218000
IKEDA 8.55% - 12.03.29 Tax free *	1000	20000	20000000	20000	20000000
Ind Infrastructure Finance 8.65% - 2034 - Tax free *	1000	10000	10000000	10000	10000000
IRFC -7.23% -2030 Tax Free	1000	9060	9947860	9060	9060000
IRFC 7.64%-2031 - Tax free*	1000	10000	10000000	10000	10000000
Nasard 2% - August 2020	20000	1000	10000000	1000	20000000
NHAI 8.20% - 2022 - Tax free Bond **	1000	39518	43205034	39518	39518000
NHAI - 7.28% - 2030 Tax free Bond	1000000	50	50000000	50	50000000
NHAI 7.39% - 05.03.31 - Tax free *	200	26016	26016000	26016	26016000
NHAI - 7.39% - 2031 Tax free Bond	1000000	50	50000000	50	50000000
NHAI 8.76% - 2034 - Tax free Bond *	200	2166	10830000	2166	10830000
IRFC Tax @ 10% - 2027 Tax free Bond *	1000	10875	12913301	10875	10875000
PTC 8.30% - 2027 Tax free Bond	1000	15686	15686000	15686	15686000
NHAI 8.50% - 2034 - Tax free Bond *	1000	20000	20000000	20000	20000000
REC 0% - December 2020	30000	520	15600000	520	15600000
			<u>771183990</u>		<u>739853000</u>

**(E) Bonds/Debentures (Unquoted) :**

Labor Bank of India 9.5%(SR-XX)	6	6219474	6	6219474
		<u>6219474</u>		<u>6219474</u>

**(F) Other Investments**

**In Mutual Funds**

**Un Quoted**

	Face Value(Rs)	Nos.	Amount(Rs)	
			FMV	FMV
Amenius Absolute Fund	50000000	1	101021972	59143090
Birla Sun Life G Sec MF	10	97425	39728646	39763274
BOI Axa Equity Debt balance Fund Growth	10	-	-	1739588
BOI Axa Large & Mid Cap Equity Fund Growth	10	44547	1224810	-
Canara Robeco Consumer Trends Mutual Fund	10	9780	532323	588362
PGIM India Large Cap Fund Regular Plan Growth	10	44021	5750484	7366501
HDFC Gilf MF	10	728309	29746724	27094349
IDIL Corporate Bond Fund	10	961095	13410363	961095
Kotak Arbitrage VI	10	116125	12415872	12434800
L & T India Value MF	10	558699	13833279	20188602
Master Gain 1892 of UTI	10	3900	-	3900
Momata Focused Multicap 35 MF	10	505123	9043192	13120585
Nippon (Reliance) India Banking Mutual Fund	10	3790	670090	1083185
SBI Magnum 1980	10	9000	246443	294476
ICICI Prudential Mutual MF	10	5650	1205195	1729280
Amexa India Growth Op MF	10	37133	1003342	1283356
			<u>229394983</u>	<u>194396563</u>



**In Fixed Deposits (Other than with Banks)**

FD with PNB Housing	50000000	50000000
FD with HDFC Ltd	80000000	20000000
	<u>130000000</u>	<u>70000000</u>
	359394383	264386563
<b>Total Investments- Non Current (A+B+C-D+E+F)-</b>		
<b>Fair value</b>	<b>1483605739</b>	<b>1401448197</b>
<b>Total Book Value(at cost)</b>	<b>1308296140</b>	<b>1208600584</b>
<b>Fair Valuation Gain/(Loss)</b>	<b>175309599</b>	<b>192847613</b>

(\*) All the units of these bonds are pledged with HDFC BANK for availing their overdraft facilities(A/c no : 97435)

(\*\*) 10000 units of such securities are pledged with HDFC BANK for availing their overdraft facilities(A/c no : 97435)





**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

	31.03.2020 (Rs.)	31.03.2019 (Rs.)
<b>Note No -7 LOANS</b>		
Security Deposits	1962388	3809888
	<u>3962388</u>	<u>3809888</u>
<b>Note No -8 OTHER FINANCIAL ASSETS</b>		
Bank Balance (Maturity period more than 12 months)	27500000	-
	<u>27500000</u>	<u>-</u>
<b>Note No -9 TRADE RECEIVABLES</b>		
-Trade Receivable Considered Good- Unsecured	52757745	76885335
-Trade Receivable Considered Doubtful- Unsecured	-	-
	<u>52757745</u>	<u>76885335</u>
<b>Note No -10 Cash &amp; Cash Equivalent</b>		
-Balance with banks		
On Current Accounts	42121574	11829917
Overdraft (Debit Balance)	56475	126063
-Cash on hand	56330	57985
	<u>42234639</u>	<u>12013965</u>
<p>The overdraft facility is availed from HDFC Bank Ltd against pledged of securities ( bonds marked with asterik * , ** in Note 6 Of Investment).</p>		
<b>Note No -11 Loans - Current</b>		
- Loans Receivable Considered Good- Unsecured	14978552	33073136
- Loans Receivable Considered Doubtful- Unsecured	12225465	-
	<u>162010986</u>	<u>33073136</u>
<b>Note No- 12 CURRENT TAX ASSETS/(LIABILITIES) (NET)</b>		
Advance income Tax	107900000	124540000
Tax Deducted at source	58958533	75104098
Income Tax Refundable		691384
Less: Provision for Income Tax	(159170000)	(196240000)
	<u>7688533</u>	<u>4095482</u>
<b>Note No -13 Other current assets</b>		
Other Advances	145500	1225644
	<u>145500</u>	<u>1225644</u>



ARADHANA INVESTMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note-14 EQUITY SHARE CAPITAL

Particulars	As at March	As at March
	31, 2020 (Rs)	31, 2019 (Rs)
<b>Authorised</b>		
1,00,000 Equity Shares, Par value Rs. 10 each	1000000	7500000
25,000 Preference Shares, Par value Rs. 100 each	2500000	2500000
	<u>10000000</u>	<u>10000000</u>

<b>Issued, subscribed and fully paid up</b>		
600,000 Equity Shares, Par value Rs. 10 each	6000000	6000000

(ii) Reconciliation of number of shares and share capital outstanding at the beginning and end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount (Rs)	No. of shares	Amount (Rs)
Number of shares at the beginning	600000	6000000	600000	6000000
Add: Shares issued				
Number of shares at the end	<u>600000</u>	<u>6000000</u>	<u>600000</u>	<u>6000000</u>

(i) Rights, preferences and restrictions attached to shares  
The company has two class of shares having a par value Rs. 10/- & Rs. 100/- each. Each holder of equity shares is entitled to one vote per share.

(iii) During the five year immediately preceding 31st March, 2020, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

(iv) The details of shareholders holding 5% shares are given below

Name of Shareholders	As at 31.03.2020		As at 31.03.2019	
	No. of Shares	% Held	No. of Shares	% Held
Reliance Trades & Investment (P) Ltd	80000	14.77%	80000	14.77%
Poojai Dugga	90000	15.00%	90000	15.00%
Divya Dugga	90000	15.00%	90000	15.00%
4C Commercial Ltd	100000	17.81%	100000	17.81%
Russel Properties Private Ltd	30000	5.42%	30000	5.42%
3nod Lure & Fibre Limited	100000	17.81%	100000	17.81%

Note No. 15- Other Equity

(Figures in Rupees)

Particulars	Attributable To Owners Of Company				Total Attributable To Owners Of Company	Non Controlling Interest	Total
	Capital Reserve On Consolidation	General Reserves	Securities Premium	Retained Earnings			
<b>Balance as at March 31, 2018</b>	5351245	1445868301	342200000	156275874	1949685520	35420207	1985113817
<b>Balance Of Subsidiary Company</b>							
- Profit or Loss for the year				9586263	5506263	492062	56350626
- Movement during the year							
- Acquisition on Profit							
- Minority's share till date					(492062)		(492062)
<b>Balance as at March 31, 2019</b>	5351245	1445868301	342200000	252134237	2045661721	35912359	2089974081
- Profit or Loss for the year				54000716	54000716	446845	6343580
- Movement during the year							
- Acquisition on Profit							
- Minority's share till date					(446845)		(446845)
<b>Balance as at March 31, 2020</b>	5351245	1445868301	342200000	306134953	2107711612	36359204	2144070816



## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## Note-14 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2020(Rs)	As at March 31, 2019 (Rs)
Authorised		
7,50,000 Equity Shares, Par value Rs. 10 each	7500000	7500000
25,000 Preference Shares, Par Value Rs. 100 each	2500000	2500000
	<b>10000000</b>	<b>10000000</b>

## Issued, subscribed and fully paid up

6,00,000 Equity Shares, Par value Rs. 10 each	6000000	6000000
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## (i) Reconciliation of number of shares and share capital outstanding at the beginning and end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	600000	6000000	600000	6000000
Add: Shares issued	-	-	-	-
Number of shares at the end	<b>600000</b>	<b>6000000</b>	<b>600000</b>	<b>6000000</b>

## (ii) Rights, preferences and restrictions attached to shares

The company has two class of shares having a par value Rs. 10/- & Rs.100/- each. Each holder of equity shares is entitled to one vote per share.

## (iii) During the five years immediately preceding 31st March, 2020, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

## (iv) The details of shareholders holding 5% shares are given below :-

Name of Shareholders	As at 31.03.2020		As at 31.03.2019	
	No. of Shares	% held	No. of Shares	% held
Reliance Traders & Investment (P) Ltd	88600	14.77%	88600	14.77%
Poonam Dugar	93000	15.50%	93000	15.50%
Divya Dugar	93000	15.50%	93000	15.50%
H.C.Commercial Ltd	106850	17.81%	106850	17.81%
Russel Properties Private Ltd	32500	5.42%	32500	5.42%
Binod Jute & Fibre Limited	49650	8.28%	49650	8.28%

## Note No- 15- Other Equity

(Figures in Rupees)

Particulars	Attributable To Owners Of Company				Total Attributable To Owners Of Company	Non Controlling Interest	Total
	Capital Reserve On Consolidation	General Reserves	Securities Premium	Retained Earnings			
Balance as at March 31, 2018	5351245	1445868301	342200000	156275974	1949695520	35420297	1985115817
Balance Of Subsidiary Company	-	-	-	-	-	-	-
-Profit or Loss for the year	-	-	-	95858263	95858263	492062	96350326
-Movement during the year	-	-	-	-	-	-	-
-Preacquisition Profit	-	-	-	-	-	-	-
-Minority's Share till date	-	-	-	(492062)	(492062)	-	(492062)
Balance as at March 31, 2019	5351245	1445868301	342200000	251642175	2045061721	35912339	2080974081
Balance Of Subsidiary Company	-	-	-	-	-	-	-
-Profit or Loss for the year	-	-	-	63096736	63096736	446845	63543580
-Movement during the year	-	-	-	-	-	-	-
-Preacquisition Profit	-	-	-	-	-	-	-
-Minority's Share till date	-	-	-	(446845)	(446845)	-	(446845)
Balance as at March 31, 2020	5351245	1445868301	342200000	314738911	2107711612	36359204	2144070816





**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**Note No-21 Revenue from operation**

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Interest</b>		
Interest (TDS Rs.2267049/ Pr.Yr.1240660/-)	72226792	60509464
 <b>Other Financial Services</b>		
Rent (TDS Rs 9539777 Pr.Yr 11219356)	157100645	163756238
Wind Mill Income ; Net )	795440	2198877
Income from Solar Plant	18061837	18827297
Maintenance & Other Charges ( Net )	1092334	8938539
	<b>244677043</b>	<b>254230515</b>

**Note No-22 Other Income**

Dividend	5902950	5486968
Profit on sale of Investments ( Shares & Securities )	1767340	83909611
Income from Alternate Investment Fund	1678882	3822880
Misc.Income	773747	489541
	<b>10117913</b>	<b>93709000</b>

**Note No-23 Employee benefits expenses**

**(i) Employees:**

Salary, Bonus & Allowances	2423406	1984177
Contribution to Provident Fund	154391	108720
Gratuity	61294	152790
	<b>2639091</b>	<b>2245687</b>

**(ii) Managerial Remuneration:**

Salary, Bonus & Allowances	4896000	4800000
Contribution to Provident Fund	505827	423269
Commission	1373637	1400569
	<b>6775464</b>	<b>6632838</b>

Total

<b>9414555</b>	<b>8878525</b>
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**Note No-24 DEPRECIATION AND AMORTIZATION EXPENSES**

**Particulars**

Depreciation on Property,Plant & Equipment	49078930	54105763
	<b>49078930</b>	<b>54105763</b>

**Note No-25 FINANCE COST**

Interest On Loan	3950020	10970399
	<b>3950020</b>	<b>10970399</b>



**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

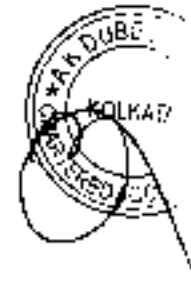
	31.03.2020 (Rs.)	31.03.2019 (Rs.)
<b>Note No -26 Other Expenses</b>		
<i>Auditor's Remuneration</i>		
- Audit fee	75000	65000
Advertisement Charges		2500
Bad debts written off	2000000	12971167
Bank Charges	11493	17228
Donat Charges	2575	7500
Donation	5821000	2610000
Filing fee	13100	6600
General Charges	4105	3769
Insurance Charges	17707199	17199704
Certification Fees	36000	-
Legal & professional Charges	510166	423320
Listing fee	25000	25000
Miscellaneous expenses	123950	101812
Motor car expenses	140091	56860
Printing & stationery	72505	70487
Rates & Taxes	17137102	8145052
Rent	660000	660000
Security Transaction Charges	4712	2233
Service Maintenance Charges	423538	593578
Staff welfare	218637	187000
Telephone Charges	10787	35149
Travelling & Conveyance	135264	173712
Loss On Fair Valuation	19990095	106995752
	<b>65131039</b>	<b>150150333</b>



ARADHANA INVESTMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note No. 27 Tax Expenses	(Rs)	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>Particulars</b>		
<b>a) Income tax recognized in profit or loss</b>		
Current tax expense		
Current year	32500000	49270000
Tax of earlier year provided / (written back)	4349339	-
<b>Deferred tax expense/(income)</b>		
Origination and reversal of temporary differences	29934378	(19385348)
	<b>66783717</b>	<b>29884652</b>
<b>b) Effective tax Reconciliation</b>		
<b>Particulars</b>	<b>Year ended March 31, 2020</b>	<b>Year ended March 31, 2019</b>
Net Profit/(Loss) before tax	127420417	123834435
Enacted tax rates for company i.e. Aradhana Investments Ltd.	79.12%	79.12%
Computed tax (Income)/expense	32500000	49270000
<b>Adjustment for:</b>		
Disallowance u/s 43B	92263	(74827)
Deferred Tax related to Property, Plant & Equipments	(38,29,496)	8237348
Deferred Tax Related to Fair Valuation Gains	33705189	11227837
Income tax Adjustment	4350024	
Income tax expense reported	66817976	66655348
Effective Income tax rate	<b>52.44%</b>	<b>55.44%</b>

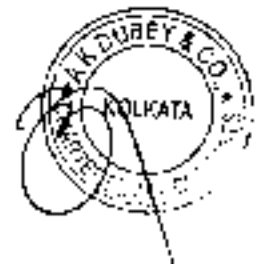


**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**Note- 28 OTHER COMPREHENSIVE INCOME**

	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>(A) (i) Items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in joint ventures	-	-
	<u>                    </u>	<u>                    </u>
	-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in joint ventures	-	-
	<u>                    </u>	<u>                    </u>
	-	-
<b>Total (A)</b>	<u>                    </u>	<u>                    </u>
	-	-
<b>(B) (i) Items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation		-
Debt instrument through OCI		-
The effective portion of gains and loss on hedging instruments in a cash flow hedge		-
Share of OCI in joint ventures		-
		<u>                    </u>
		-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI		-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
Share of OCI in joint ventures		-
	<u>                    </u>	<u>                    </u>
	-	-
<b>Total (B)</b>	<u>                    </u>	<u>                    </u>
	-	-
<b>Total (A+B)</b>	<u>                    </u>	<u>                    </u>
	-	-





## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

**NOTE-29 EARNING PER SHARE**

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
(a) Net profit (loss) as attributable for equity shareholders(Rs)	63096736	95858263
(b) Weighted average number of equity shares (Nos)	630000	600000
(c) Effect of potential Dilutive Equity shares on Employee stock option		-
(d) Weighted average number of Equity shares (including diluted)		-
Basic Earnings per Share(Rs)	100.16	159.76
Diluted Earnings per Share*		
*effect being anti-dilutive hence ignored		

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity

**NOTE -30 Contingent Liabilities and claims against the Company**

PARTICULARS	As at March 31,	As at March 31,
	2020(Rs)	2019(Rs)
<b>Contingent liabilities, to the extent not provided for in respect of:</b>		
<b>Demands</b>		
Income Tax	-	-
Others	-	-

It is not possible to predict the outcome of the pending litigations with accuracy. The Company has reviewed all its pending litigations and proceedings and has adequately provided for provisions wherever required and disclosed as contingent liabilities where ever applicable in its financial statements. The management believe the ending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.



## ARADHANA INVESTMENTS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## 31 CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial Assets			( Financial fig. in Rs)			
Particulars	Note	Fair Value Hierarchy	As at March 31,2020		As at March 31,2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1. Financial assets designated at fair value through profit and loss</b>						
a) Investment	A					
i) In Equity Shares (Quoted)		Level-1	150640825	150640825	211855713	211855713
ii) In Equity Shares (Unquoted)		Level-2	196167067	196167067	175133447	175133447
iii) In Mutual Funds		Level-1	229394383	229394383	194386563	194386563
iv) In Government Bonds		Level-1	771183990	771183990	735853000	735853000
<b>2. Financial assets designated at amortised cost</b>						
a) Other bank balances						
b) Cash & Cash Equivalents			42234639	42234639	12013965	12013965
c) Trade & Other receivables		Level-3	52757745	52757745	75885335	75885335
d) Loans		Level-3	162010986	162010986	33073196	33073196
e) Other Financial Assets		Level-3	3962308	3962308	3809888	3809888
<b>3. Investment in subsidiary companies</b>	C	Level-2			2549400	2549400

\* Including Equity Component

## Financial Liabilities

Particulars	Note	Fair Value Hierarchy	As at March 31,2020		As at March 31,2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liability designated at amortised cost</b>						
a) Borrowings	D	Level-3				
b) Trade & Other Payables	B	Level-3	35219358	35219358	37628574	37628574
c) Other Financial Liability		Level-3	69771353	69771353	58073197	58073197

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

The following methods and assumptions were used to estimate the fair values.

A. Company has opted to fair value its Mutual Fund & Equity Shares investment through profit & loss

B. Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities measured at amortised cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit, taking of loans to subsidiary and advance to employees) carried at amortised cost is approximately equal to fair value. Hence carrying value and fair value is taken same.

## Fair value hierarchy

**Level 1** - Quoted prices/NAV (unadjusted) in active markets for identical assets or liabilities

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## NOTE -32 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

## Note No. 33 Financial risk factors

The Company's operational activities expose to various financial risks i.e. Market risk, Credit risk and Liquidity risk. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funds by including cost of currency cover also. The Company uses derivative financial instruments to reduce:

## i. Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.

## ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate risk, interest rate risk and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

## a. Interest Rate Risk and Sensitivity

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. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiations with the lenders for ensuring the cost effective method of financing.

## Interest Rate Risk Exposure

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	INR	USD	INR	USD
Fixed Rate Borrowings				
Variable Rate Borrowings	-	-	-	-
<b>Total Borrowings</b>	-	-	-	-

## Sensitivity on variable rate borrowings

Particulars	Impact on Profit & (Loss) before tax	
	31-Mar-20	31-Mar-19
INR Borrowings		
Interest Rate Increase by	-	-
Interest Rate decrease by	-	-

## iii. Credit Risk



Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk arising from trade receivable is managed in accordance with the company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk is limited due to the fact that the customer base is large.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	(In %)	
	Year ended March	
	2020	2019
Revenue from top customer	26.73%	10.89%
Revenue from top five customers	64.78%	48.07%

#### Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2020 is as follows :

Particulars	Year ended March	
	2020	2019
Balance at the beginning	-	-
Impairment loss reversed	-	-
Additional provision created during the year	-	-
<b>Balance at the end</b>	<b>-</b>	<b>-</b>

The deposits with banks constitute mostly the liquid investment of the company and are generally not exposed to credit risk.

#### Ageing Analysis of Trade Receivables

Particulars	As 31st March, 2020			
	Not Due	Less Than Six Months	More than Six Months	Total
	Unsecured receivable	-	18591312	6464678
Provision for Doubtful Receivables	-	-	-	-
<b>Net Balance</b>	<b>-</b>	<b>18591312</b>	<b>6464678</b>	<b>25055990</b>

Particulars	As 31st March, 2019			
	Not Due	Less Than Six Months	More than Six Months	Total
	Unsecured receivable	-	46065685	30819652
Provision for Doubtful Receivables	-	-	-	-
<b>Net Balance</b>	<b>-</b>	<b>46065685</b>	<b>30819652</b>	<b>76885337</b>

Particulars	As 31st March, 2018			
	Not Due	Less Than Six Months	More than Six Months	Total
	Unsecured receivable	-	30532401	51650587
Provision for Doubtful Receivables	-	-	-	-
<b>Net Balance</b>	<b>-</b>	<b>30532401</b>	<b>51650587</b>	<b>82182988</b>

#### iv. Liquidity risk

Liquidity risk refers to risk of financial distress or high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020:





Particulars	Carrying Amount	On Demand	Less than 1 year	More Than 1 Year
Borrowings	-	-	-	-
Trade & Other payables	162874903	-	162874903	-
Other financial liabilities	69771353	-	-	69771353

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Carrying Amount	On Demand	Less than 1 year	More Than 1 Year
Borrowings	-	-	-	-
Trade & Other payables	67300174	-	67300174	-
Other financial liabilities	58073197	-	-	58073197

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

Particulars	Carrying Amount	On Demand	Less than 1 year	More Than 1 Year
Borrowings	140000000	-	140000000	-
Trade & Other payables	241238834	-	241238834	37745414
Other financial liabilities	55223897	-	-	55223897

#### NOTE -34 Competition and Price risk

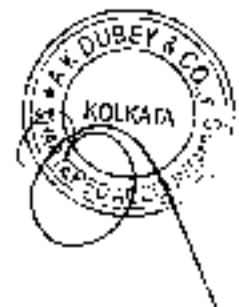
The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

#### NOTE -35 Capital Risk Management

The Company's policy is to maintain an adequate capital base so as to maintain credit and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital as the case may be.

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Borrowings	-	0
Less: cash and cash equivalents	42234639	(12013965)
<b>Net debt</b>	<b>42234639</b>	<b>(12013965)</b>
Total Equity*	21371612	2051061721
<b>Capital and Net debt</b>		
Gearing Ratio	2.00%	-0.59%
*including fair valuation of Property Plant & Equipment		

Note: Sensitivity analysis for risk management is based on management estimates



**ARADHANA INVESTMENTS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE -36 Related Party Disclosure as per Ind AS 24**

**A. List of Related Party & Relationship**

Name of Related Party	Country of Incorporation	Ownership Interest	
		31st March 2020	31st March 2019
<b>(a) Subsidiary Company</b>			
1. Padmavati Tradelink Ltd.	India	92.90%	92.90%
<b>(b) Associate Company</b>			
1. Aradhana Multimax Ltd.	India	47.35%	47.36%
<b>(b) Key Managerial person</b>			
1. Mr. J. K. Kankaria	My Director		
2. Mr. R. K. Lunawat	Director		
3. Mr. Pankaj Bothra	Director		
4. Mrs. Poonam Dugar	Director		
<b>(c) Relative of KMP</b>			
1. Mrs. Anuradha Mehta			
2. Mrs. Divya Dugar			
<b>(d) Other related parties</b>			
1. Auckland International Ltd.			
2. Jai Kumar Kankaria HUF			
3. Aradhana Multimax Ltd.			
4. Harakh Chand Kankaria Charitable Trust			
5. Vasanti Jai Kankaria Charities			
6. Jai Kankaria Foundation			
7. Shree Chandra Kumar Kankaria Foundation			

**B. Related Party Transaction**

Particulars	Transaction during the year(Rs)	
	FY 2019-20	FY 2018-19
<b>Investment</b>		
Padmavati Tradelink Ltd.		
<b>Loans &amp; Advances(Given)</b>		
Auckland International Ltd.	165000000	443000000
Padmavati Tradelink Ltd.	99300000	3395000000
<b>Donation</b>		
Harakh Chand Kankaria Charitable Trust	200000	
Vasanti Jai Kankaria Charities	600000	
Jai Kankaria Foundation	600000	
Shree Chandra Kumar Kankaria Foundation	250000	
<b>Remuneration and other perquisites :-</b>		
Jai Kumar Kankaria	6679464	6632838
Anuradha Mehta	476296	470522
Divya Dugar	458703	453299

Particulars	Outstanding Balances at the year ended(Rs)	
	As At 31st	As At 31st
	March, 2020	March, 2019
<b>Loan &amp; Advances (Given)</b>		
Auckland International Ltd.	-	-
Padmavati Tradelink Ltd.	130597043	134149844
<b>Salary / others Payable</b>		
Jai Kumar Kankaria	3378637	3409569
Anuradha Mehra	35947	383875



# ARADHANA INVESTMENTS LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS - FINANCIAL YEAR -2019-20

### 37 Segment Information

#### 37.1 Primary Segment Reporting :

(i) Segment has been identified in line with the accounting standard on Segment Reporting (IND AS 108), taking into account the organisational structure and as well as the different at risk and returns of these segments. Details of each services are as under :

- a) Rent From Property
- b) Trading
- c) Financing & Income From Investments etc
- d) Wind & Solar Power

#### (ii) Information about business segment :

A	Income:	Rs.Thousands	
		2019-20	2018-19
	Rent	152733	172695
	Trading	-	-
	Wind & Solar Power	19357	21027
	Others	82345	154218
	<b>Total</b>	<b>254395</b>	<b>347940</b>
<b>B</b>	<b>Expenses :</b>		
	Rent	44924	41122
	Trading	-	-
	Wind & Solar Power	16874	23606
		65602	67728
	Other Unallocated Expenses	61772	162377
	<b>Total</b>	<b>127575</b>	<b>224103</b>
<b>C</b>	<b>Segment Results ( POIT )</b>		
	Rent	113370	131573
	Trading	-	-
	Wind & Solar Power	2578	421
	Others	20572	-8159
	<b>Total</b>	<b>127420</b>	<b>123835</b>
	Profit before tax	127420	123835
	Adjustment for:		
	Deferred Tax	(29934)	19185
	Provision / Adjustment for Tax	(35843)	145270
	<b>Profit after tax</b>	<b>60636</b>	<b>93950</b>

D	Carrying amount of Segment assets:	Rs.Thousands	
		2019-20	2018-19
	Rent	506935	635730
	Trading	162011	33074
	Wind & Solar Power	90469	97349
		643412	766149
	Unallocated Assets	1625578	1507852
	<b>Total</b>	<b>2475090</b>	<b>2274011</b>
<b>E</b>	<b>Carrying amount of Segment Liabilities:</b>		
	Rent	69771	58073
	Trading	-	-
	Wind Power Mill	-	-
		69771	58073
	Unallocated Liabilities	255243	128964
		325019	187037
<b>F</b>	<b>Net worth</b>	<b>2150071</b>	<b>2086974</b>

PARTICULARS	Rent		Wind & Solar Mill		Others		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19



G	Capital Expenditure (Unallocated)	1,003	796	-	-	1,802	111	2805	909
H	Depreciation (Allocated & unallocated)	31,786	32977	16,879	20606	414	522	49079	54106

**37.2 Secondary Segment - Geographical : NIL**

38 Some of the Financials assets & liabilities including trade receivables, trade payables and advances, are pending for confirmation/ reconciliation, and impact of the same on financial statements, if any, is unascertained.

39 Wind Mill & Solar Plant Income shown (net of expenses- Rs.3360267/-) ( previous year Rs.3321867/-)

40 Maintenance and other charges shown (net of expenses - Rs.17706003/-) (previous year Rs.17541724/-)

41 Interest Income shown (net of payment - Rs.51975/-) ( previous year Rs.4903552/-)

42 Interest on loans has been provided at rate not less than bank rate as declared by Reserve Bank of India.

43 The Company has donated Rs 58.21 lakh (previous year Rs 28.10 Lakh) to recognised trusts for CSR activities referred to in Schedule VII of the Companies Act, 2013.The auditor relied on

44 The outbreak of pandemic COVID 19 have severely impacted and triggered significant disruptions to businesses globally and in India leading to an economic slowdown. Significant disruptions primarily includes decline in market value of investments, unavailability of personnel, closure of offices/facilities, etc.The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. The management does not see any medium and long term risks in the Company's ability to continue as going concern and meeting its liabilities as an when they fall due. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, and accordingly the impact may be different from that estimated as at the date of approval of

45 Figures have been rounded off to the nearest Rupees.

46 Previous year figures have been regrouped/ rearranged /recast, wherever considered necessary to conform to current year's classification.

**Notes 1 to 46 are annexed to and form an integral part of the financial statements.**

**SIGNATURE TO NOTE 1 TO 46**

<p><b>For A K Dubey &amp; Co</b> Firm Reg No. 329518E Chartered Accountants</p>   <p>(A.K. Dubey) Partner Membership No. 057143 UDIN : 20057141AAARM557D</p> <p>Place : Kolkata Date : 28/09/2020</p>	<p><b>For and on Behalf of Board of Directors</b></p>  <p>J.K. Kankaria Managing Director DIN:- '00409918</p>  <p>Shilpa Agarwal Company Secretary</p>  <p>R.K. Lunawat Director DIN:- '00381030</p>  <p>Pankaj Bothra Director DIN:- '00329988</p>
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