

1. Corporate Information

Ausom Enterprise Limited ("the Company") is a public limited Company incorporated in India with registered office at 11-B, New Ahmedabad Industrial Estate, Sarkhej Bavla Road, Moraiya, Ahmedabad - 382 213, Gujarat and principal place of business at 606, 'Swagat', Near Lal Bunglow, C. G. Road, Ahmedabad – 380 006, Gujarat. The equity shares of the Company are listed on two recognised stock exchanges in India. The Company is principally engaged in the business of trading in Commodities, Bullions, Gold Jewellery, Diamonds, Derivatives, Shares and Securities and manufacturing Gold Jewellery.

2. Significant accounting policies

2.1 Basis of Preparation

Statement of Compliance with Indian Accounting Standards (Ind AS) :

The financial statements have been prepared in accordance with Ind AS notified under the Companies ('Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known or materialised. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 Critical accounting estimates

A. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

B. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

- A. Revenue from sale of goods is recognised at the point of dispatch to the customers when risk and reward stand transferred to the customers. Sales are inclusive of freight wherever it is charged.
- B. Dividend income is recognised when the right to receive the dividend is established.
- C. Operating and other Interest income on FDR is recognised on the time proportion basis taking into account of the amount outstanding and rate applicable.
- D. Shares Transactions
 - (i) Where share trading purchase and share trading sales is settled within the same settlement, only net gain or loss is booked at fair value.
 - (ii) Where share trading purchase and share trading sales is not settled within the same settlement, each transaction is accounted as purchase and sales respectively at fair value.

E. Units of Mutual Funds

Units of Mutual Fund transactions are accounted at fair value as Sales or Purchase as and when it is committed.

F. Derivative Transactions in Future and Option

(i) Future or Option transactions in Equity/Index/Currency/Commodity with no hedging relationship are accounted expiry date wise separately and are recognised and measured at fair value in the balance sheet. The fair value of the derivative contract is marked to market through Statement of Profit and Loss and included in "Profit / (loss) on Derivative transactions (Net)".

(ii) When future or option contract settled with actual delivery, the same is accounted for respective contract wise as purchase/sales at fair value.

G. Other Income

Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

2.5 Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price (Net of GST input credit wherever applicable) and any attributable cost of bringing the assets to its working condition for its intended use. Such cost also includes the borrowing costs if the recognition criteria are met.

Depreciation on Tangible assets has been provided on straight line method as per useful life prescribed in Schedule II to the Companies Act, 2013. Depreciable amount for assets is the cost of an asset or other amount substituted for cost less its estimated residual value.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

Capital work-in-progress:

Assets those are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

2.6 Inventories

(i) Trading Goods are valued at Cost or Net Realizable value whichever is lower. Cost is arrived at by using FIFO method.

(ii) Shares and Securities are valued at fair value through Profit and Loss Account.

(iii) Raw materials and work in progress are valued at cost or net realizable value whichever is lower. Cost is arrived at by using FIFO method.

(iv) Finished goods are valued at cost or net realizable value whichever is lower. Cost comprises of purchase price of Raw materials, conversion cost and other costs incurred in bringing them to their present location and condition. FIFO method is used to arrive at cost.

2.7 Cash Flow

The cash flow Statement reported using indirect method and presents cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances in current and demand deposit with banks. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

2.8 Retirement and other Employee Benefits

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

Defined contribution plans: Provident fund

Eligible employees of the Company receive benefits from a Provident fund, which is defined contribution plan. Both the eligible employees and the Company make monthly contributions to the provident fund equal to a specified percentage of the covered employee's salary. Company's contributions are charged as an expense in the Statement of Profit and Loss as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

Defined benefit plans: Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and tenure of employment with the Company.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using projected unit credit method.

The Company recognises the obligation of a defined benefit plan in its Balance Sheet as a liability by corresponding recognised as an expense in the Statement of Profit and Loss.

Gains and losses through remeasurements of the defined benefit liability are recognised in other comprehensive income.

2.9 Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

Current income tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities.

2.10 Financial instruments

(a) Non-derivative financial instruments:

Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

Financial assets carried at amortised cost

A financial asset is 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.

Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

(b) Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

Derecognition of financial instruments

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.11 Impairments

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit and loss.

Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment loss is recognised immediately in the statement of profit and loss.

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

2.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required

to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Foreign Currency Transactions and Translations

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions and balances

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All foreign currency monetary assets and monetary liabilities as at the Balance Sheet date are translated into the functional currency at the applicable exchange rates prevailing on that date. All exchange differences arising on translation, are recognised in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Gain or losses upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

2.15 Earnings per share

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

bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.16 Borrowing Costs

Borrowing costs are interest and other cost incurred in connection with borrowing of fund. Borrowing cost attributable to acquisition or construction of an asset which necessary takes a substantial period of time to get ready for their intended use are capitalised as part of cost of asset. All other borrowing costs are recognised to the Statement of Profit and Loss as an expense in the period in which they are incurred.

3. Property, Plant and Equipments

(Amount in Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Additions	Deletions/ Adjustments	As at	For the Year	Deletions/ Adjustments	As at	As at	As at	As at
	01/04/2018			31/03/2019			31/03/2019	31/03/2019	31/03/2019	31/03/2018
Plant & Equipment	0	11,72,750	0	11,72,750	16,387	0	16,387	11,56,363	0	
Furniture and Fixtures	1,27,134	1,01,764	0	2,28,898	16,631	0	1,11,030	1,17,868	32,735	
Office Equipment	61,930	1,88,371	0	2,50,301	7,766	0	69,261	1,81,040	435	
Computer	1,22,200	0	0	1,22,200	11,242	0	99,118	23,082	34,324	
Total	3,11,264	14,62,885	0	17,74,149	52,026	0	2,95,796	14,78,353	67,494	
Previous year	2,75,764	35,500	0	3,11,264	22,832	0	2,43,770	67,494	67,494	

4. Investments

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Trade investments in Joint Venture (unquoted & valued at cost) (Long-term)		
Investment in Limited Liability Partnership		
- Capital Contribution in Swadeshi Distributors LLP	28,69,12,369	25,66,35,720
- Capital Contribution in Amazo Waste Management Solution LLP	1,00,84,497	0
- Capital Contribution in Bsafal.KZ Estate LLP	16,48,00,780	0
Non-Trade Investments (unquoted & valued at cost) (Long-term)		
Investment in Equity instruments		
- 303039 (31/03/2018: 207101) Equity Shares of Rs. 10 each fully paid up in Grower Zampa Vineyards Ltd	2,24,28,892	1,64,28,892
Investment in Preference shares		
- 97619 (31/03/2018: 97619) Preference Shares of Rs. 10 each fully paid up in Grower Zampa Vineyards Ltd	58,58,019	58,58,019
Investment in Zero Coupon Fully Convertible Debenture		
- 12727 (31/03/2018: 12727) Debentures of Rs. 100 each fully paid up in Grower Zampa Vineyards Ltd	12,72,745	12,72,745
Investment in Mutual fund		
- 40 units (31/03/2018 : Nil) of J M Financial India Fund II	40,00,000	0
Total	49,53,57,302	28,01,95,376

Aggregate amount of unquoted investment	49,53,57,302	28,01,95,376
Aggregate amount of impairment in value of investment	0	0

5. Other non-current financial assets

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Fixed deposits	2,00,000	2,00,000
Security deposits		
Unsecured, considered good	1,84,775	4,33,411
Total	3,84,775	6,33,411

6. Income tax assets (net)

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Advance income tax (net of provision)	38,38,101	14,63,203
Total	38,38,101	14,63,203

7. Inventories

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Stock-in-trade		
- Shares & securities	19,05,21,000	22,49,82,378
- Work in progress	92,131	0
Total	19,06,13,131	22,49,82,378

8. Trade Receivables

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Unsecured, considered good	3,19,93,95,713	85,65,980
Total	3,19,93,95,713	85,65,980

9. Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Cash and cash equivalents		
Balance with Banks - In current accounts	26,34,335	23,52,264
Cash on hand	7,39,525	7,80,767
Total	33,73,860	31,33,031

10. Bank balances other than Cash and cash equivalents above

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Margin money deposits (Note 10.1)	99,00,000	99,00,000
Total	99,00,000	99,00,000

10.1

Margin money deposits are given against overdraft facilities availed from banks.

11. Loans

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Loans and advances (at amortised cost)		
Unsecured, considered good		
Related parties (Note No.:- 40)	3,25,72,15,244	26,79,68,613
Others	1,85,00,000	17,30,00,000
Total	3,27,57,15,244	44,09,68,613

12. Other current financial assets

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Interest accrued on		
Investments	3,57,80,444	3,02,48,347
Fixed deposits	14,98,699	14,77,862
Loans	6,22,39,321	2,46,70,513
Margin money with exchanges	8,61,33,106	20,55,34,084
Others	8,10,397	28,92,643
Total	18,64,61,967	26,48,23,449

13. Other current assets

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Balances with statutory authorities	89,32,365	79,41,974
Prepaid Expenses	5,70,75,120	3,454
Others	39,800	37,400
Total	6,60,47,285	79,82,828

14. Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Rupees	Number of shares	Rupees
Authorised				
Equity shares of Rs.10 each	6,00,00,000	60,00,00,000	6,00,00,000	60,00,00,000
Redeemable preference shares of Rs.10 each	4,00,00,000	40,00,00,000	4,00,00,000	40,00,00,000
Issued, Subscribed and Fully Paid up				
Equity shares of Rs.10 each	1,36,23,552	13,62,35,520	1,36,23,552	13,62,35,520
Forfeited equity shares(Amount originally paid up)		10,750		10,750
Total		13,62,46,270		13,62,46,270

14.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issue	Buy back	Closing Balance
Equity shares				
Year ended 31 March, 2019				
- Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520
Year ended 31 March, 2018				
- Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520

14.2 Details of shareholders holding more than 5% shares in the company

Class of shares / Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs. 10 each fully paid				
Savitri D. Pawani	50,20,000	36.85	50,20,000	36.85
Kishor P. Mandalia	11,89,102	8.73	11,89,102	8.73
Daxaben B. Mandalia	8,90,572	6.54	8,90,572	6.54
Vipul Z. Mandalia	8,36,420	6.14	8,36,420	6.14
Zaverilal V. Mandalia	8,04,547	5.91	8,04,547	5.91
Chandresh Z. Mandalia	7,97,647	5.85	7,97,647	5.85

14.3 Terms/Rights attached to equity shares

- (i) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15. Other Equity

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Capital reserve (Profit on reissue of forfeited shares)	86,000	86,000
Securities Premium	36,41,18,400	36,41,18,400
Retained earnings *	22,54,91,041	12,57,91,493
Equity component of Non-Cumulative Redeemable Participating Preference shares (Note 18.4)	6,38,58,300	6,38,58,300
Other Comprehensive Income *	(97,876)	(76,681)
Total	65,34,55,865	55,37,77,512

* For movement, refer statement of changes in equity.

16. Non current Provisions

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Provision for employee benefits		
Provision for gratuity	2,09,453	3,03,634
Total	2,09,453	3,03,634

17. Non-current tax liabilities (net)

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Income tax liability	49,95,366	66,60,488
Total	49,95,366	66,60,488

18. Current Borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Loans repayable on demand		
From Banks : Secured		
Overdraft facilities (Note 18.1)	70,75,673	58,73,454
Exports packing credit indian rupee loan (Note 18.2)	3,20,70,16,588	0
From Others (Note 18.3)		
Unsecured	0	14,55,00,000
Debt portion of preference share capital (Note 18.4) - Unsecured	20,00,00,000	20,00,00,000
Non-Cumulative Redeemable Participating Preference shares of Rs. 10/- each		
Total	3,41,40,92,261	35,13,73,454

18.1

The overdraft facilities from banks are secured against Fixed Deposits of the Company. They are repayable on demand and carry interest @ Interest rate on Fixed Deposits plus 1% to 3% p.a.

18.2

Export packing credit indian rupee loan are secured against trade receivables and other current assets of the Company and are repayable within a period of 170 - 175 days from the date of availment of loan and carries interest rate between 4.10% to 4.40% per annum.

18.3

Unsecured loans from Others carry interest @ 12% p.a.

18.4.A: Details of shareholders holding more than 5% of the Preference Shares Capital:

Name of shareholder	As at 31-03-2019		As at 31-03-2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Zaverilal V. Mandalia	1800000	9.00	1800000	9.00
Bharat P. Mandalia	2500000	12.50	2500000	12.50
Kishor P. Mandalia	2500000	12.50	2500000	12.50
Chandresh Z. Mandalia	1600000	8.00	1600000	8.00
Vipul Z. Mandalia	1600000	8.00	1600000	8.00
Savitri D. Pawani	10000000	50.00	10000000	50.00

18.4.B: Terms/rights attached to the preference shares:

The Company had issued only one class of preference shares, viz, 2,00,00,000/- 16.5% Cumulative Redeemable Participating Preference Shares (CRPPS) of Rs. 10 each amounting to Rs. 20,00,00,000. A term of dividend of CRPPS had been modified with effect from 01-04-2013 from 16.5% Cumulative to 1.5% Non-Cumulative Redeemable Participating preference shares (NCRPPS).

The holder of each NCRPPS shall be entitled for a non-cumulative dividend of 1.5% p.a. (The holder of each CRPPS was entitled for cumulative dividend of 16.5% p.a. up to 31/03/2013) The dividend proposed if any by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting. The preference shares shall, in addition have a right to participating dividend over and above the base dividend mentioned above.

At the time of redemption of the Preference Shares or in the event of winding-up of the Company, the arrears of dividend on the Preference Shares whether earned, declared or not shall also be paid to the Subscribers.

The Subscribers shall have the same voting rights in respect of the Preference Shares as are available and applicable to preference shares under the Companies Act, 2013.

In the event of default in payment of base and / or participating dividend inspite of adequate profits and / or redemption of Preference Shares as per the terms of issue, the subscriber shall have the right to convert at its option 100% of the Preference Shares into fully paid-up Equity Shares of the Company, in the manner specified in writing subject to terms of issue to be given by the Subscribers and subject to necessary approvals, if required.

The said Preference Shares were issued on 09-12-1999 and were redeemable at par in three equal annual installments. The installments of such redemption were due on 9th Dec, 2006, 9th Dec 2007 and 9th Dec 2008. However, the Company received consent letters from the preference shareholder every year for postponing their right to receive payment towards the installments of redemption of preference shares capital amounting to Rs. 20,00,00,000 by one year at a time.

The arrears of fixed cumulative dividend on said Preference Shares up to 31st March, 2013 was Rs. 373,400,000 and remain the same as at 31-03-2019.

Under Ind AS Non-Cumulative Redeemable Participating Preference shares are considered as compounding instruments. The debt component is measured by discounting the contractually determined stream of future cashflows (dividend and principal) to present value using an effective interest rate of 18.00% for a period of 9 years from the date of issue.

19. Trade payables

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Trade payables (Note 32 : due to micro and small enterprises)		
-Total outstanding dues of micro enterprises and small enterprises	0	0
-Total outstanding dues of creditors other than micro enterprises and small enterprises	3,19,64,76,372	9,29,69,576
Total	3,19,64,76,372	9,29,69,576

20. Other current financial liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Interest accrued but not due on borrowings	81,76,044	0
Provision for employee benefits	72,699	59,411
Provision for expense	43,710	29,920
Fair value of Derivatives	0	9,33,21,400
Others	16,921	0
Total	83,09,374	9,34,10,731

21. Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Statutory dues	10,17,067	1,10,976
Total	10,17,067	1,10,976

22. Current tax liabilities (net)

Particulars	As at 31 March 2019	As at 31 March 2018
	Rupees	Rupees
Provision for Income tax (net of advances)	1,77,63,703	78,63,122
Total	1,77,63,703	78,63,122

23. Revenue from operations

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
(a) Sales (Note 24.1)	4,39,36,68,518	3,33,60,03,262
(b) Other operating revenues (Note 24.1)	2,08,87,360	13,73,06,510
Total	4,41,45,55,878	3,47,33,09,772

23.1

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
(i) <u>Sale of Traded goods</u>		
Shares, Securities & Units of Mutual Funds	18,11,72,220	1,54,33,24,027
Bullion	0	1,79,26,79,235
Total - Sale of traded goods	18,11,72,220	3,33,60,03,262
(ii) <u>Sale of Manufactured goods</u>		
Gold Jewellery	4,20,32,56,458	0
Bullion	92,39,840	0
Total - Sale of Manufactured goods	4,21,24,96,298	0
(iii) <u>Other operating revenues</u>		
Profit / (Loss) on Share Speculation (Net)	3,031	(11,512)
Freight & Insurance	22,97,290	0
Foregin exchange rate diff (net)	6,22,59,316	0
Profit/(loss) on Derivatvies Transactions (Net)		
Shares & Securities	73,53,088	10,25,76,545
Commodities	(43,71,773)	3,47,41,471
Currency	(4,66,53,592)	6
Total - Other operating revenues	2,08,87,360	13,73,06,510

24. Other income

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rupees	Rupees
	Interest Income		
	From Bank	7,08,725	28,26,418
	From Others	6,71,54,194	2,77,75,239
	From Investment as partner in LLP	3,57,80,444	3,02,48,347
	Dividend Income	11,94,077	15,84,859
	Interest on Income tax refund	0	29,38,028
	Misc Income	3,258	0
	Total	10,48,40,698	6,53,72,891

25. Cost of Material consumed

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rupees	Rupees
	Bullion	4,15,31,19,752	0
	Total	4,15,31,19,752	0

26. Purchases of stock-in-trade

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rupees	Rupees
	Shares, Securities & Units of Mutual Funds	14,50,57,080	1,55,97,02,428
	Bullion	0	1,77,44,18,802
	Total	14,50,57,080	3,33,41,21,230

27. Changes in inventories of finished goods, stock-in-trade and work in progress

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		Rupees	Rupees
	<u>Inventories at the end of the year:</u>		
	Work in progress	92,131	0
	Stock-in-trade- Shares & mutual funds	19,05,21,000	22,49,82,378
		19,06,13,131	22,49,82,378
	<u>Inventories at the beginning of the year:</u>		
	Stock-in-trade- Shares & mutual funds	22,49,82,378	15,84,32,132
	Stock-in-trade - Bullion	0	5,81,000
		22,49,82,378	15,90,13,132
	Net (increase) / decrease	3,43,69,247	(6,59,69,247)

28. Employee benefits expense

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
Salaries and bonus	10,94,299	9,62,388
Leave Enchashment	1,22,242	98,270
Provided for gratuity	60,533	49,860
Contribution towards providend fund	44,470	56,049
Total	13,21,544	11,66,567

29. Finance costs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
Interest on packing credit facility	3,39,39,123	0
Other interest expense	1,56,72,626	2,09,82,133
Total	4,96,11,749	2,09,82,133

30. Other expenses

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
Electricity Power	94,070	35,850
Insurance	57,490	0
Rent	6,31,550	1,78,800
Rates and taxes	2,400	2,400
Stationary, Printing, Postage and Telephone	4,45,205	2,93,522
Legal and professional fees	11,56,963	7,72,897
Payments to auditors (Note 30.1)	1,50,000	1,50,000
Transportation expenses	18,48,073	0
Shares, Securities and Derivatives transaction charges	19,48,346	1,36,02,345
Sundry balances W/off	14,190	3,80,946
Donation	0	2,50,000
Corporate social responsibility expenditure (Note 35)	2,50,000	0
Directors' sitting fees	27,000	24,000
Repair & maintenance	1,05,353	0
Labour charges	4,50,540	0
Share of Loss from Investment as a partner in LLP (net)	1,94,421	0
Licence fees & Service charges of SEZ unit	3,40,306	3,76,225
General Charges (Note 30.2)	12,43,901	10,63,536
Total	89,59,808	1,71,30,521

30.1 Payment to Auditors

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
As auditors :- Audit fees	1,50,000	1,50,000
	1,50,000	1,50,000

30.2

General Charges includes Travelling expenses, loading and unloading expenses, custodian charges, advertisements, membership fees, listing fees, office expenses etc.

31 Earnings per share

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rupees	Rupees
Earnings per share		
Profit attributable to the equity shareholders	9,96,99,548	19,45,78,555
Weighted average number of equity shares	1,36,23,552	1,36,23,552
Face value per Equity share	10	10
Basic & Diluted Earnings Per Share	7.32	14.28

32 The Company has not received any intimation from “Suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 accordingly the details of amounts outstanding to Micro, Small and Medium Enterprises under the said act based on the available information with the Company are as under:

Particulars	As at 31-03-2019	As at 31-03-2018
	Rupees	Rupees
Principal amount due and remaining unpaid	0	0
Interest due on (1) above and the unpaid interest	0	0
Interest paid on all delayed payments under the MSMED Act.	0	0
Payment made beyond the appointed day during the year	0	0
Interest due and payable for the period of delay other than (3) above	0	0
Interest accrued and remaining unpaid	0	0
Amount of further interest remaining due and payable in succeeding years	0	0

33 Details of future contracts outstanding (open interest)

Name of script	Position	Number of contracts	
		As at 31-03-2019	As at 31-03-2018
M TO M BALKRISIND 25/04/2019	Long	4800	-
M TO M BPCL 25/04/2019	Long	12600	-
M TO M GSFC 25/04/2019	Long	37600	-
M to M Hindpetro 25/04/2019	Long	275100	-
M to M Hindpetro 30/05/2019	Short	487200	-
M TO M IDFC 25/04/2019	Long	105600	-
M TO M IDFCFIRSTB 25/04/2019	Long	27600	-
M to M Infibeam 25/04/2019	Long	100000	-

Name of script	Position	Number of contracts	
		As at 31-03-2019	As at 31-03-2018
M to M MARUTI 25/04/2019	Long	300	-
M to M Nationalum 25/04/2019	Long	88000	-
M to M PNB 25/04/2019	Short	1575000	-
M to M PNB 30/05/2019	Long	798000	-
M TO M TATAMOTORS 25/04/2019	Long	12000	-
M TO M TATAMTRDVR 25/04/2019	Long	22800	-
M to M TATA STEEL 25/04/2019	Long	5305	-
M to M Unionbank 25/04/2019	Short	994000	-
M to M Unionbank 30/05/2019	Long	497000	-
M to M ZEEL 25/04/2019	Long	273000	-
M to M ZEEL 30/05/2019	Short	136500	-
M to M Silver 03/05/2019	Short	2	-
M TO M USDINR 25/04/2019	Long	26371	-
M to M INDIGO 26/04/2018	Long	-	4200
M to M Bank Nifty 26/04/2018	Long	-	42640
M to M Bank Nifty 31/05/2018	Short	-	18000
M to M BPCL 26/04/2018	Long	-	12600
M TO M CAPF 26/04/2018	Long	-	4800
M to M Crudeoil 19/04/2018	Short	-	405
M to M Crudeoil 21/05/2018	Long	-	200
M to M GOLD 05/04/2018	Short	-	170
M TO M GSFC 26/04/2018	Long	-	54000
M TO M HEROMOTOCO 26/04/2018	Long	-	2000
M TO M HINDPETRO 26/04/2018	Long	-	31500
M TO M IDFC 26/04/2018	Long	-	105600
M TO M IDFCBANK 26/04/2018	Long	-	162000
M TO M KSCL 26/04/2018	Long	-	6000
M to M Nifty 26/04/2018	Long	-	60000
M TO M PFC 26/04/2018	Long	-	72000
M TO M PNB 26/04/2018	Long	-	32000
M TO M POWERGRID 26/04/2018	Long	-	40000
M TO M SBIN 26/04/2018	Long	-	9000
M TO M STAR 26/04/2018	Long	-	4800
M TO M SUNPHARMA 26/04/2018	Long	-	14300
M TO M SUZLON 26/04/2018	Long	-	350000
M TO M TATACOMM 26/04/2018	Long	-	4800
M TO M TATAGLOBAL 26/04/2018	Long	-	18000
M TO M TATAMOTORS 26/04/2018	Long	-	12000
M TO M TATAMTRDVR 26/04/2018	Long	-	35000
M to M Tata Steel 26/04/2018	Long	-	351191
M TO M TORENTPOWER 26/04/2018	Long	-	15000
M to M UBL 31/05/2018	Long	-	49700
M TO M UNIONBANK 26/04/2018	Long	-	40000
OPTIDX NIFTY 26/04/2018 PE	Long	-	100050
OPTIDX NIFTY 26/04/2018 CE	Short	-	100125

34 Contingent liability not provided in accounts/not acknowledged as debt by the company :

The Company's assessments under Income Tax Act, 1961, have been completed upto ITAY 2016-17. In respect of additions to Total Income made vide the respective assessment orders, the company is in appeal before the appellate authorities. However due to the set off of brought forward losses and unabsorbed depreciation as per the provisions of Income Tax Act, 1961, there is no tax payable in any of the assessment years. As and when the appeals will be decided the brought forward losses and unabsorbed depreciation, so set off will be restored depending upon appellate orders.

The income tax authority has raised the demand of Minimum Alternate Tax (MAT) under the Income Tax Act, 1961 in respect of A.Y. 2011-12 amounting to Rs. 4,44,82,010/- The Company has filed an appeal and matter is pending before CIT (Appeals).

The Company has given corporate guarantee to the Bank against credit facilities granted to its Joint venture i.e. Swadeshi Distributors LLP amounting to Rs. 50,00,00,000/-

35 Details of Expenditure incurred on 'Corporate Social Responsibility Activities' are as under :

	As at 31 March 2019	As at 31 March 2018
a) Gross amount required to be spent by the company during the year	17,81,929	22,10,533
b) Details of amount spent are as under :		
Construction/acquisition of an asset	0	0
On purpose other than above	2,50,000	0
Total	2,50,000	0
c) Total amount unspent at the end of the year	15,31,929	22,10,533

36 Details of Inter Corporate Loans given :

Name of Entity	Loan given during the year	Loan received back during the year	Maximum balance outstanding during the year
	Rupees	Rupees	Rupees
Parker Multi Commodities (I) Pvt. Ltd.	75,00,000	75,00,000	75,00,000
Kifs Financial Service Ltd	0	5,53,87,247	5,53,87,247
Kunverji Finance Pvt Ltd.	3,25,00,000	12,07,60,975	12,07,60,975
Kunverji Fincorp Pvt Ltd.	15,10,65,835	13,25,65,835	10,35,00,000
Zaveri & Co. Pvt. Ltd.	2,95,04,00,000	2,55,00,000	2,92,49,00,000

37 Deferred tax (liability)/ asset :

Particulars	As at 31 March 2019	As at 31 March 2018
The Company has significant unabsorbed depreciation. Deferred tax assets are recognised only to the extent of deferred tax liabilities, since deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences.		
Tax effect of items constituting deferred tax liability		
On difference between carrying value and tax base of :		
Financial instruments	1,01,83,374	1,07,53,503
Property, Plant & Equipments	20,687	0
	1,02,04,061	1,07,53,503

Particulars	As at 31 March 2019	As at 31 March 2018
Tax effect of items constituting deferred tax asset		
On difference between carrying value and tax base of :		
Property, Plant & Equipments	0	4,375
Financial instruments	0	1,18,18,804
Provision for employee benefits	98,596	19,643
Carried forward depreciation	2,33,75,568	12,87,45,497
Carried forward losses	2,05,580	0
	2,36,79,744	14,05,88,319
Deferred tax assets recognised (to the extent of deferred tax liability recognised above)	1,02,04,061	1,07,53,503
Net deferred tax (liability) / asset	0	0

38 Income tax

A. Amount recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2019	As at 31 March 2018
Current income tax	2,72,05,822	4,90,54,537
Short /(Excess) provision of income tax of earlier years	0	(1,24,04,465)
Deferred tax	0	0
Tax expense recognised in the Statement of Profit and Loss	2,72,05,822	3,66,50,072

B. Reconciliation of effective tax rate

Particulars	As at 31 March 2019		As at 31 March 2018	
Profit before tax		12,69,05,370		23,12,28,627
Tax using the Company's domestic tax rate	34.944%	4,43,45,812	33.063%	7,64,51,121
Tax effect of :				
Tax exempt income	(0.329%)	(4,17,258)	(0.227%)	(5,24,002)
Non-deductible expense	0.046%	57,822	0.030%	69,490
Difference due to MAT	(13.223%)	(1,67,80,554)	(11.652%)	(2,69,42,072)
Effective tax	21.438%	2,72,05,822	21.215%	4,90,54,537
Add:- Short/(Excess) provision of income tax of earlier years	0.000%	0	(5.365%)	(1,24,04,465)
Income tax recognised in Statement of Profit and Loss	21.438%	2,72,05,822	15.850%	3,66,50,072

C. Income tax asset/(liability)

Particulars	As at	As at
	31 March 2019	31 March 2018
Income tax asset	1,11,01,419	4,28,53,000
Income tax liability	(3,38,60,488)	(5,73,76,610)
Tax recoverable	38,38,101	14,63,203
Net income tax asset/(liability)	(1,89,20,968)	(1,30,60,407)

39
Disclosures as required by IND AS - 19 "Employee benefits"
Defined Benefit Plan :

The company has a defined benefit gratuity plan in India. Gratuity plan is unfunded. The Company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from company as and when it becomes due and is paid as per company scheme for gratuity.

The Company has recognised in the Statement of Profit and Loss for the current year, an amount of Rs.60,533/- (previous year - Rs.49,860/-) as expenses.

Reconciliation of present value of the defined benefit obligation

Particulars	Year ended	Year ended
	31 March, 2019	31 March, 2018
	Gratuity	Gratuity
Obligation at the beginning of the year	3,03,634	2,37,200
Current service cost	36,667	31,904
Interest cost	23,866	17,956
Benefits directly paid by the Employer	(1,81,731)	-
Actuarial losses/(gains) recognised in other comprehensive income		
-Change in demographic assumptions	-	-
-Change in Financial assumptions	1,705	(13,354)
-Experience variance	25,312	29,928
Obligation at the end of the year	2,09,453	3,03,634

Reconciliation of fair value of plan assets

Particulars	Year ended	Year ended
	31 March, 2019	31 March, 2018
	Gratuity	Gratuity
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain /(loss)	-	-
benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

Reconciliation of Net Assets(liability) recognized in the Balance Sheet:

Particulars	Year ended	Year ended
	31 March, 2019	31 March, 2018
	Gratuity	Gratuity
Present value of the defined benefit obligation at the end of the year	(2,09,453)	(3,03,634)
Fair value of plan assets at the end of the year	-	-
Amount recognised in the Balance sheet : assets/(Liability)	(2,09,453)	(3,03,634)

Expenses recognized in the Statement of Profit and Loss for the year:

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	Gratuity	Gratuity
Current service cost	36,667	31,904
Interest cost	23,866	17,956
Past service cost	-	-
Interest income	-	-
Total expense recognised in the Statement of Profit and Loss	60,533	49,860

Recognized in the other comprehensive income for the year:

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	Gratuity	Gratuity
Actuarial losses/(gains) recognised in other comprehensive income		
-Change in demographic assumptions	-	-
-Change in Financial assumptions	1,705	(13,354)
-Experience variance	25,312	29,928
Recognised in the other comprehensive income	27,017	16,574

Actuarial assumptions

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
	Gratuity	Gratuity
Discount rate	7.79%	7.86%
Salary growth	6.00%	6.00%
Mortality	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Attrition rate	2.00%	2.00%
Weighted Average Duration of the defined benefit obligation	14 years	17 years

The estimates of rate of escalation in salary considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Decrease	Increase	Decrease	Increase
Change in Discount rate (delta effect of +/-1%)	26379	(22794)	49601	(40524)
Change in Salary growth rate (delta effect of +/-1%)	(23356)	26589	(41520)	50042
Change in Attrition rate (delta effect of +/-1%)	(4096)	3724	(11661)	10051

Gratuity is a defined benefit plan and company is exposed to the Following risks :

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk : The plan faces the ALM risk as to the matching cash flow. Company has to manage payout based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)

Particulars	As at 31 March 2019	As at 31 March 2018
	Gratuity	Gratuity
Within the next 12 months from the end of the reporting period	5,865	8,817
Between 2 and 5 years	26,572	39,404
Between 6 and 10 years	42,195	60,904
Beyond 10 years	5,00,196	11,49,566
Total expected payments	5,74,828	12,58,691

40 Related Party Disclosures:-
40.1 Details of Related Parties

Description of relationship	Names of related parties
Enterprises in which KMP / Relatives of KMP are having control or significant influence	Zaveri & Co. Pvt. Ltd. Zaveri Enterprise Pvt. Ltd. Zaveri Finstock Pvt. Ltd. Zaveri & Co Jewellers Pvt. Ltd. Zaveri Comtrade Pvt. Ltd. Sarabai Enterprises Pvt. Ltd. Chokshi Estate Pvt. Ltd. Priyal Projects Pvt. Ltd. Priyal International Pvt. Ltd. Zaveri & Co Exports Zaveri Foundation Saumya Developers Keshavaji Developers Achal Raj Priyal Realty Soni Pranjivandas Virjibhai Atit Developers LLP Amazo Projects LLP Zaveri Infracon LLP Jagdambey Hydro Projects LLP Zaveri & Co (Gujarat) LLP Amazo Arcade LLP Khandwala & Zaveri Developers LLP Amazo Wind Farm LLP Amazo Power LLP P K Z Developers LLP P K Z Realty LLP Atit Realty LLP Bricks Bonds Realty LLP Zaveri Energy LLP Zaveri Realty LLP Ananta Exim LLP Vrundavan Garden LLP Atit Infrastructure LLP Amazo Infraspace LLP Myspace Infracon LLP Aaron Infraspace LLP S K Z Developers LLP Panchratna Infrastructure LLP
Joint venture in which the Company is a partner	Swadeshi Distributors LLP Amazo Waste Management Solutions LLP Bsafal. KZ Estate LLP
Key Management Personnel (KMP)*	Shri Kishor Mandalia - Managing Director & CEO Shri Zaverilal Mandalia - Non-executive Director Shri Vipul Mandalia - Non-executive Director Shri Ghanshyam Akbari - Non-executive Director Shri Hitesh Adeshara - Non-executive Director Smt.Nirupama Vaghjiani - Non-executive Director

* Non-Executive Directors are disclosed as Key Management Personnel as per the requirement of Ind AS 24. However, they are not Key Management Personnel as per The Companies Act, 2013.

40.2
Transactions during the year with related parties

Sr. No.	Nature of Transactions	KMP	Joint venture in which the Company is a partner	Entities in which Key Management Personnel & their relatives having control or significant influence	Total
1	Purchase of goods	NIL (NIL)	NIL (NIL)	1710318 (NIL)	1710318 (NIL)
2	Sale of goods	NIL (NIL)	NIL (NIL)	6220000 (577720)	6220000 (577720)
3	Loans & Advances taken from	NIL (95000000)	NIL (NIL)	14000000 (NIL)	14000000 (95000000)
4	Loans & Advances repaid to	NIL (95000000)	NIL (NIL)	14000000 (NIL)	14000000 (95000000)
5	Loans & Advances given	NIL (NIL)	47675000 (127240000)	2950400000 (NIL)	2998075000 (127240000)
6	Loans & Advances received back	NIL (NIL)	5400000 (29866584)	25500000 (NIL)	30900000 (29866584)
7	Brokerage paid	NIL (NIL)	NIL (NIL)	154333 (10756)	154333 (10756)
8	Rent paid	NIL (NIL)	NIL (NIL)	281550 (118800)	281550 (118800)
9	Interest received	NIL (NIL)	72117780 (52319978)	16267758 (NIL)	88385538 (52319978)
10	Sitting fees	27000 (24000)	NIL (NIL)	NIL (NIL)	27000 (24000)
11	Reimbursement given to	10800 (NIL)	NIL (NIL)	NIL (NIL)	10800 (NIL)
13	Capital Contribution (net)	NIL (NIL)	175108000 (29866584)	NIL (NIL)	175108000 (29866584)
14	Share of Profit / (Loss) from LLP	NIL (NIL)	(194421) (NIL)	NIL (NIL)	(194421) (NIL)
15	Purchase of Property, plant & Equipment	NIL (NIL)	NIL (NIL)	1455683 (NIL)	NIL (NIL)
16	Balances outstanding at the end of the year				
	Loans & Advances receivable	NIL (NIL)	368652580 (290040244)	2939540982 (NIL)	3308193562 (290040244)
	Trade payables	NIL (NIL)	NIL (NIL)	310846 (NIL)	310846 (NIL)
	Trade receivables	NIL (NIL)	NIL (NIL)	2276436 (7960820)	2276436 (7960820)

Note: Figures in bracket relates to the previous year

41 Financial Instruments

- a) The carrying value and fair value of financial instruments by categories at 31 March 2019 and 31 March 2018 is as follows :

(Amount in Rupees)

Particulars	Carrying value		Fair value	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial assets				
At Fair value through profit or loss				
Investment	49,53,57,302	28,01,95,376	49,53,57,302	28,01,95,376
Other current financial assets	0	1,75,089	0	1,75,089
At Amortised cost				
Trade Receivables	3,19,93,95,713	85,65,980	3,19,93,95,713	85,65,980
Cash and Bank balances	1,32,73,860	1,30,33,031	1,32,73,860	1,30,33,031
Loans	3,27,57,15,244	44,09,68,613	3,27,57,15,244	44,09,68,613
Other non current financial assets	3,84,775	6,33,411	3,84,775	6,33,411
Other current financial assets	18,64,61,967	26,46,48,360	18,64,61,967	26,46,48,360
Total assets	7,17,05,88,861	1,00,82,19,860	7,17,05,88,861	1,00,82,19,860
Financial liabilities				
At Amortised cost				
Current Borrowings	3,41,40,92,261	35,13,73,454	3,41,40,92,261	35,13,73,454
Trade payables	3,19,64,76,372	9,29,69,576	3,19,64,76,372	9,29,69,576
Other current financial liabilities	83,09,374	89,331	83,09,374	89,331
At Fair value through profit or loss				
Other current financial liabilities	0	9,33,21,400	0	9,33,21,400
Total liabilities	6,61,88,78,007	53,77,53,761	6,61,88,78,007	53,77,53,761

b) Fair value measurement :

Level 1 : Quoted price in active markets for identical assets or liabilities

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly

Level 3 : Inputs for the assets or liabilities that are not based on observable market data (unobservable data)

Following table presents the Fair value measurement hierarchy for financial assets and financial liabilities :

Particulars	As at	Total	Level 1	Level 2	Level 3
Financial assets					
At Fair value through profit or loss					
Investment	31 March 2019	49,53,57,302	0	0	49,53,57,302
	31 March 2018	28,01,95,376	0	0	28,01,95,376
Other current financial assets	31 March 2019	0	0	0	0
	31 March 2018	1,75,089	1,75,089	0	0
Financial liabilities					
Other current financial liabilities	31 March 2019	0	0	0	0
	31 March 2018	9,33,21,400	9,33,21,400	0	0

c) Fair valuation method

The fair value of the financial assets and liabilities is 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.

d) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

42 Financial risk management

The Company has exposure to the following risks arising from financial instruments :

- Credit risk
- Liquidity risk
- interest rate risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate controls and to monitor risks and adherence to controls. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, dealing in derivatives, loans and current assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company limits its exposure to credit risk with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties and hence no loss allowance is recognised.

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits. This is generally carried out in accordance with practice and limits set by the Company.

The working capital position of the Company is given below :

Particulars	As at	
	31/03/2019	31/03/2018
Cash and cash equivalent	33,73,860	31,33,031
Total	33,73,860	31,33,031

The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	As at	Less than 1 year	Above 1 year
Borrowing	31/03/2019	3,41,40,92,261	0
	31/03/2018	35,13,73,454	0
Trade payable	31/03/2019	3,19,64,76,372	0
	31/03/2018	9,29,69,576	0
Other financial liabilities	31/03/2019	83,09,374	0
	31/03/2018	9,34,10,731	0

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

43 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The company monitors capital using gearing ratio, which is as follows:

Particulars	As at	
	31/03/2019	31/03/2018
Total equity attributable to the equity shareholders	78,97,02,135	69,00,23,782
Gross Debt	3,41,40,92,261	35,13,73,454
Less: Cash and cash equivalent	33,73,860	31,33,031
Net Debt	3,41,07,18,401	34,82,40,423
Net gearing ratio (Debt/ Equity)	4.32	0.50

- 44** Current year share of loss arising from the joint venture i.e. Bsafal.kz Estate LLP is recognized on the basis of its Un-audited Financial Statements. The difference between audited financial statements where ever applicable, and amount accounted for will be adjusted in the subsequent year.