



*Growth, Wealth, Success*

# *U. Y. Fincorp Limited*

*(Formerly Known as Golden Goenka Fincorp Limited)*

**ANNUAL REPORT**

**2018-2019**

# Content

Chairman's Message	01
Management Team	02
Corporate Informations	03
Notice	05
Directors' Report	12
Management Discussion and Analysis Report	19
Report on Corporate Governance	21
Extract of Annual Return	39
Statement Containing Salient Feature of the Financial Statements of Subsidiaries/ Associates/Joint Ventures	49
Secretarial Auditors' Report	51
Particulars of Employees	54
Annual Report on Corporate Social Responsibility (CSR) Activities	55
Independent Auditors' Report	58
Balance Sheet	64
Statement of Profit and Loss	65
Cash Flow Statement	66
Significant Accounting Policies	67
Notes to Financial Statements	70
Independent Auditors' Report on the Consolidated Financial Statements	87
Consolidated Balance Sheet	92
Consolidated Statement of Profit and Loss	93
Consolidated Cash Flow Statement	94
Significant Accounting Policies to the Consolidated Financial Statements	95
Notes to Consolidated Financial Statements	99

# CHAIRMAN'S MESSAGE



**Dear Shareholders,**

It gives me great pleasure and immense pride in placing before you the 26th Annual Report of your Company for the financial year 2018-19.

Non Banking Financial Companies (NBFCs) play an active role in meeting the funding needs of those segments of the society who mostly remain unserved by the formal modes of institutional funding. NBFCs are essentially fuelling entrepreneurship by catering to the funding needs of the micro, small and medium enterprises (MSMEs). The year under review has been a challenging one for the NBFC sector. Some isolated market events have significantly reduced the

flow of funds to NBFCs from the institutional sources. RBI has tried to address the liquidity concerns of NBFCs, but more steps are needed. Your Company is continuously monitoring all these developments and is on the lookout for new opportunities. Keeping in mind the recent challenges that have surfaced in the NBFC sector, your Company has stepped up its interactions with the government and the regulators.

The opportunities ahead are huge. By staying true to its mission and its values, and by continually investing in building newer capabilities, your Company is positioned well to become the foremost partner of choice to all forward thinking enterprises in their growth and transformation journeys.

Your Company has a strong framework for the appraisal and execution of credit facilities that involves a detailed evaluation of industry, business, financial, project and management factors including sponsor's financial strength and experience. A team of well qualified and experienced individual examine the proposals at various levels and evaluate all information which are gathered from relevant sources during the assessment process to facilitate credit decisions. This process ensures that the expertise in lending operations acquired by the Company over the period is put to best use and acts to mitigate credit risks.

We are constantly building on our existing strengths, while at the same time envisaging our business priorities to reach new horizons of growth and opportunities and also re-assured stability and soundness in terms of overall business performance by achieving profit before tax of ₹ 1,254.32 lakhs for the financial year ended 31st March, 2019.

For U. Y. Fincorp Limited, its people are a very valuable resource. In an increasingly competitive market for talent, the Company continues to focus on attracting and retaining right talent. It is committed to provide right opportunities to employees to realise their potential. Your Company focuses on widening organisational capabilities and improving organisational effectiveness by having a competent and engaged workforce. Our people are our partners in progress and employee empowerment has been critical in driving our organisation's growth to the next level.

On behalf of the Board and on my own behalf, I place on record my sincere appreciation and gratitude to our Bankers, RBI, SEBI, MCA, Registrar and Share Transfer Agents, Registrar of Companies, Stock Exchanges, Depositories, Customers, Business Associates & Auditors for their continued support and the confidence they have reposed in the Company. I record my special appreciation of the tireless efforts of Team U. Y., a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times and helped the Company deliver strong results. I owe my gratitude to the Company's valuable shareholders for their continued patronage & co-operation and seek their continued support and co-operation in future.

Sincerely,

Sd/-

**Uday Kothari**  
**(Chairman & Managing Director)**  
**(DIN:- 00284256)**

# MANAGEMENT TEAM

## BOARD OF DIRECTORS

**Mr. Udai Kothari**

(Chairman & Managing Director)

**Mr. Deepak Kothari**

(Whole-time Director)

**Mr. Dinesh Burman**

(Whole-time Director)

**CA Govind Kumar Go al**

(Non-Executive Independent Director)

**Mrs. Leena Hinesh Jobanputra**

(Non-Executive Independent Director)

**Mr. Jignesh Dalal**

(Non-Executive Independent Director)

**Mr. Nishant Sharadrao Nanda**

(Non-Executive Independent Director w.e.f. 10.08.2018)

**Mr. Niranjana Kumar Choraria**

(Non-Executive Independent Director upto 10.08.2018)

## KEY MANAGERIAL PERSONNEL

**CA Alok Banerjee**

(Chief Financial Officer w.e.f. 01.11.2018)

**CS Amrita Mohta Kothari**

(Company Secretary)

**CA A ush Agrawal**

(Chief Financial Officer upto 10.09.2018)

# CORPORATE INFORMATION

## AUDIT COMMITTEE

Mr. Jignesh Dalal, Chairman  
Mrs. Leena Hinesh Jobanputra, Member  
Mr. Govind Kumar Goyal, Member

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Jignesh Dalal, Chairman  
Mrs. Leena Hinesh Jobanputra, Member  
Mr. Govind Kumar Goyal, Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Jignesh Dalal, Chairman  
Mr. Udai Kothari, Member  
Mr. Dinesh Burman, Member  
Mrs. Leena Hinesh Jobanputra, Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Udai Kothari, Chairman  
Mr. Dinesh Burman, Member  
Mr. Jignesh Dalal, Member

## STATUTORY AUDITORS

M/s Das & Prasad  
(Chartered Accountants)

## INTERNAL AUDITORS

M/s R. K. Lodha & Associates  
(Chartered Accountants)

## SECRETARIAL AUDITORS

M/s Prateek Kohli & Associates  
(Company Secretaries)

# CORPORATE INFORMATION

## BANKERS

United Bank of India

ICICI Bank

## REGISTRAR & SHARE TRANSFER AGENTS

### **Niche Technologies Private Limited**

3A, Auckland Place, 7th Floor,

Room No. 7A & 7B,

Kolkata - 700017, West Bengal

Phone: 033-2280 6616/17/18

Fax: 033-2280 6619

Email: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

## REGISTERED OFFICE

### **U. Y. Fincorp Limited**

(Formerly known as Golden Goenka Fincorp Limited)

16, Strand Road, 9th Floor

Room No. 908 B, Kolkata-700001

Phone No.- 033-4603 2315

Fax No. – 033-4407 0020

E-mail: [contact@u.fincorp.com](mailto:contact@u.fincorp.com)

Website: [www.u.fincorp.com](http://www.u.fincorp.com)

## CORPORATE OFFICE

### **U. Y. Fincorp Limited**

Vaman Techno Centre, A-Wing, 7th Floor,

Marol Naka, Makwana Road, Andheri (East)

Mumbai-400059

Phone- 022-42300 800

## CORPORATE IDENTIFICATION NUMBER

L65993WB1993PLC060377

## STOCK EXCHANGE WHERE THE SHARES ARE LISTED

The BSE Limited (Security Code:-530579)

The Calcutta Stock Exchange Limited

(Security Code:- 10017059)



Growth, Wealth, Success

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Members of U. Y. Fincorp Limited (Formerly known as Golden Goenka Fincorp Limited) will be held on Wednesday, the 25th day of September 2019 at Manthan (Banquet Hall) at 3, Waterloo Street, Kolkata-700069 at 11:30 A.M. to transact the following businesses:

### AS ORDINARY BUSINESS

1. To receive, consider and adopt-
  - (a) The Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the report of the Board of Directors and Auditors thereon.
  - (b) The Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the report of the Auditor's thereon.
2. To appoint a Director in place of Mr. Udai Kothari (DIN: 00284256) who retire by rotation and being eligible, offers himself for re-appointment.

### AS SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mrs. Leena Hinesh Jobanputra (DIN: 06975039), who was appointed as an Independent Director at the 22nd Annual General Meeting of the Company and who holds office up to 11th November, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years commencing with effect from 12th November, 2019."

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Govind Kumar Goyal (DIN: 02466348), who was appointed as an Independent Director at the 22nd Annual General Meeting of the Company and who holds office up to 23rd July, 2020 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years commencing with effect from 24th July, 2020."

Registered Office:  
16 Strand Road  
9th Floor, Room No. 908B  
Kolkata-700001  
Dated: 14th August, 2019

By Order of the Board  
Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN:-00284256)

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

### Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING OF THE MEETING.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**

2. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Register of Members and Share Transfer Books will remain closed from Thursday, the 19th day of September, 2019 to Wednesday, the 25th day of September, 2019 (both days inclusive).
3. Members holding shares in physical form are requested to notify the change in their addresses to the Niche Technologies Pvt. Ltd., Registrar and Share Transfer Agents at 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017 or to the Company and always quote their Folio No. in all correspondence.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
5. Brief resume of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committee(s), shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Section forming part of the Annual Report.
6. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Company at the Registered Office or to M/s. Niche Technologies Pvt. Ltd., the Registrar and Share Transfer Agent (RTA) of the Company. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant(s).
7. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Permanent Account Number (PAN) Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
8. Members desirous of making nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may do so.
9. Pursuant to provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the statement containing information of the unclaimed amounts of dividend lying with the Company as on the date of last Annual General Meeting i.e. 26th September, 2018 has been uploaded on the website of the Company and necessary forms/returns have also been filed with the Ministry of Corporate Affairs.
10. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the company had already transferred the unpaid dividend amount of Rs. 64,652/- on 16.05.2019 to the specified bank account of the IEPF, established by the Government of India with respect to the unpaid/unclaimed dividend for the

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

financial year 2011-12 which have not yet been encashed by the equity shareholders for seven consecutive years from the Financial Year 2011-2012.

Further the Equity Shares in respect of which dividend w.r.t. the financial year 2011-2012 remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, the Company has requested the Members vide its letter dated June 5, 2019 to those who have not claimed their dividend for the financial year 2011-12 to claim the shares from the Company immediately. The company is now in process of transferring 1,47,382 underlying Equity Shares, in aggregate in respect of 227 Members on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority.

11. The Company has requested the Members vide its letter dated June 5, 2019 to those who have not encashed/claimed their dividend for the financial year 2012-13 to claim the amount of dividend from the Company immediately. The unclaimed / unpaid dividend amount, if not encashed will be transferred to the IEPF, established by the Government of India along with the underlying shares with respect to such dividend. The due date for transfer of the unclaimed /unpaid dividend to IEPF relating to the financial year 2012- 13 is 08.09.2019.
12. All relevant documents referred in the Notice and Explanatory Statement will be available for inspection by the members at the Registered Office of the Company between 11:00 AM to 01:00 PM on any working day of the Company up to the date of the Annual General Meeting.
13. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their attendance slip along with their copies of Annual Report to the Meeting.
14. Members desirous of getting any information in relation to the Company's Annual Report 2018-19 are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Company to enable the Management to keep the information readily available at the Meeting.
15. Electronic copy of the 26th Annual Report (including the Notice) of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose E-mail IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report is being sent in the permitted mode.
16. The Notice and Annual Report of the Company circulated to the Members of the Company will be made available on the Company's website at [www.uyfincorp.com](http://www.uyfincorp.com).
17. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members who have not registered their e-mail address are requested to register the same with the Registrar and Share Transfer Agent/ Depositories.
18. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
19. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot papers. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
20. Pursuant to Section 113 of the Companies Act, 2013 and Rules framed there under, the corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution and Power of Attorney, if any, authorizing their representative(s) to attend and vote on their behalf at the AGM.
21. A Route map with prominent landmark for easy location of the venue of the meeting is given as per the requirement of the Secretarial Standard - 2 on "General Meetings".

### **22. The process and manner for remote e-voting are as under:**

- (i) The remote e-voting period commences on Sunday the 22nd day of September, 2019 at 10:00 AM (IST) and ends on

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

Tuesday the 24th day of September, 2019 at 5:00 PM (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or Company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. U. Y. Fincorp Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I-Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for Institutional Shareholders & Custodians :
    - Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at **1800 200 5533**.
23. Institutional Members / Bodies Corporate (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [cspkohli@gmail.com](mailto:cspkohli@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 24th September, 2019 at 5:00 PM (IST) without which the vote shall not be treated as valid.
  24. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2019. A person who is not a member as on cut-off date should treat this notice for information purpose only.
  25. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business on 16th August, 2019.
  26. The shareholders shall have one vote per equity share held by them as on the cut-off date of 18th September, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
  27. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2019 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
  28. Investors who became members of the Company subsequent to the despatch of the Notice / E-mail and holds the shares as on the cut-off date of 18th September, 2019 are requested to send the written / E-mail communication to the Company at [cs@uyfincorp.com](mailto:cs@uyfincorp.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

29. The Board of Directors of the Company at its meeting held on 14th August, 2019 appointed M/s. Prateek Kohli & Associates, Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
30. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.uyfincorp.com](http://www.uyfincorp.com) and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The BSE Limited and The Calcutta Stock Exchange Limited.
31. A copy of this notice has been placed on the website of CDSL.
32. Subject to the receipt of the requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. September 25, 2019.

### ANNEXURE TO THE NOTICE

#### Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

##### Item No. 3

Mrs. Leena Hinesh Jobanputra (DIN: 06975039) was appointed as a Non-Executive Independent Director of the Company for the five consecutive years w.e.f. 12th November, 2014 at 22nd Annual General Meeting of the Company and who holds office up to 11th November, 2019 and is eligible for re-appointment.

In terms of provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of the Company, but such Independent Director shall be eligible for re-appointment for another term of up to 5 (five) consecutive years after passing of Special Resolution.

The Board of Directors of the Company, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee (NRC), proposed the re-appointment of Mrs. Jobanputra as an Independent Director for the approval of Members by way of Special Resolution, for second term of 5 (five) consecutive years not liable to retire by rotation, from 12th November, 2019 to 11th November, 2024.

Mrs. Jobanputra is not disqualified from being appointed as a Director in term of Section 164 of the Act and has given her consent to act as Director. She is also not debarred from holding office of Director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Mrs. Jobanputra shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission as may be approved by the Members.

The Company has received a declaration from Mrs. Jobanputra that she meets with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received Notice under section 160 of the Companies Act, 2013 in writing from a member of a Company proposing the candidature of Mrs. Jobanputra for the office of Director of the Company.

In term of Section 149 and other applicable provisions of the Act, Mrs. Jobanputra being eligible, is proposed for appointment as Independent Director for second term of five (5) consecutive years on the Board of the Company.

In the opinion of Board, Mrs. Jobanputra fulfils the conditions for her appointment as an Independent Director as specified in the Act and Listing Regulation 2015. Mrs. Jobanputra is independent of the management.

Copy of the draft letter for appointment of Mrs. Jobanputra as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company between 11:00 AM to 1:00 PM on any working day of the Company up to the date of the Annual General Meeting.

Except Mrs. Jobanputra, none of the Directors, Manager, other Key Managerial Personnel and their relatives are in anyway concerned or interested, financial or otherwise, in the aforesaid Resolution.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

The information as required pursuant to Listing regulations 2015 and the Secretarial Standard on General Meeting given in Corporate Governance Report annexed to the Directors' Report.



Growth, Wealth, Success

## NOTICE OF ANNUAL GENERAL MEETING(Contd.)

### Item No. 4

Mr. Govind Kumar Goyal (DIN: 02466348) was appointed as a Non-Executive Independent Director of the Company for the five consecutive years w.e.f. 24th July, 2015 at 22nd Annual General Meeting of the Company and who holds office up to 23rd July, 2020 and is eligible for re-appointment.

In terms of provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of the Company, but such Independent Director shall be eligible for re-appointment for another term of up to 5 (five) consecutive years after passing of Special Resolution.

The Board of Directors of the Company, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee (NRC), proposed the re-appointment of Mr. Goyal as an Independent Director for the approval of Members by way of Special Resolution, for second term of 5 (five) consecutive years not liable to retire by rotation, from 24th July, 2020 to 23rd July, 2025.

Mr. Goyal is not disqualified from being appointed as a Director in term of Section 164 of the Act and has given his consent to act as Director. He is also not debarred from holding office of Director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority .

Mr. Goyal shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission as may be approved by the Members.

The Company has received a declaration from Mr. Goyal that he meets with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received Notice under section 160 of the Companies Act, 2013 in writing from a member of a Company proposing the candidature of Mr. Goyal for the office of Director of the Company.

In term of Section 149 and other applicable provisions of the Act, Mr. Goyal being eligible, is proposed for appointment as Independent Director for second term of five (5) consecutive years on the Board of the Company.

In the opinion of Board, Mr. Goyal fulfils the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulation 2015. Mr. Goyal is independent of the management.

Copy of the draft letter for appointment of Mr. Goyal as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company between 11:00 AM to 1:00 PM on any working day of the Company up to the date of the Annual General Meeting.

Except Mr. Goyal, none of the Directors, Manager, other Key Managerial Personnel and their relatives are in anyway concerned or interested, financial or otherwise, in the aforesaid Resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

The information as required pursuant to Listing regulations 2015 and the Secretarial Standard on General Meeting given in Corporate Governance Report annexed to the Directors' Report.

**Registered Office:**  
**16 Strand Road**  
**9th Floor, Room No. 908B**  
**Kolkata-700001**  
**Dated: 14th August, 2019**

**By Order of the Board**  
**Sd/-**  
**Udai Kothari**  
**(Chairman & Managing Director)**  
**(DIN:-00284256)**

## Directors Report

**To**  
The Members of  
**U. Y. Fincorp Limited**  
(Formerly known as Golden Goenka Fincorp Limited)

Your Directors have pleasure in presenting the 26th Annual Report together with the Audited Accounts for the year ended 31st March, 2019.

### 1. FINANCIAL RESULTS

(₹ in lakh)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Revenue from Operation	2,000.97	2,357.98
Profit before Provisions & Tax	1,471.91	1,770.93
Profit before Tax	1,254.32	1,647.21
Tax Expenses	440.61	495.66
Income tax in respect of earlier year	(0.03)	-
Profit after Tax	813.74	1,151.55
Balance brought forward from previous year	3,018.44	2,097.21
Amount available for appropriation	3,832.19	3,248.75
Appropriations:-		
Final dividend including tax	114.42	-
Statutory Reserve	162.75	230.31
Balance Carried to Balance Sheet	3,555.02	3,018.44

### 2. OPERATIONS & BUSINESS ACTIVITIES

The key highlights of your Company's performance during the year under review are:

- The profit before bad debts, provisions and tax is ₹ 1,471.91 Lakhs as against ₹ 1,770.93 Lakhs in the last year.
- Profit before taxation is ₹ 1,254.32 Lakhs as against ₹ 1,647.21 Lakhs in the last year.
- Net profit after taxation is ₹ 813.74 Lakhs as against ₹ 1,151.55 Lakhs in the last year.
- The total assets is ₹ 25,695.77 Lakhs as against ₹ 24,780.32 Lakhs in the last year.

Your Company discloses Standalone Unaudited Financial Results on a quarterly basis, Standalone Audited Financial Results on an annual basis and Consolidated Audited Financial Results on an annual basis. The Financial Statements of your Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013, as applicable.

Over the past few years, the Reserve Bank of India (the RBI) has been steadily implementing technology to deepen and broaden financial services in India. Considering the same, your Company intends to expand into financial market segment and capitalize the set up for the same along with increasing capacity as required by the business. The key driver to growth in today's scenario requires higher operating efficiency, sustainability, customer satisfaction, improving capabilities and exploring new market. For the purpose of diversification your Company is engaged in the expansion of its business of vehicle loan and consumer loan etc. The outlook of the business is very exciting and we take it as an opportunity to do something unique and exceptional.

A detailed review on the operation and performance of the Company and its business is given in the Management Discussion and Analysis Report. The same is enclosed as **Annexure - 1** to this Report.

### 3. DIVIDEND

The Directors of your Company do not recommend any dividend for the financial year ended 31st March, 2019 in order to plough back the resources for future growth.

## Directors Report (Contd.)

### 4. DEPOSITS

The Company is a non-deposit taking Non-Banking Financial Company and therefore is not accepting any public deposits during the year.

### 5. LISTING OF SHARES

The equity share of the Company continues to be listed on The BSE Limited and The Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2019-20.

### 6. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the company had already transferred the unpaid dividend amount of Rs. 64,652/- on 16.05.2019 to the specified bank account of the IEPF, established by the Government of India with respect to the unpaid/unclaimed dividend for the financial year 2011-12 which have not yet been encashed by the equity shareholders for seven consecutive years from the Financial Year 2011-2012.

Further the Equity Shares in respect of which dividend w.r.t. the financial year 2011-2012 remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, the Company has requested the Members vide its letter dated June 5, 2019 to those who have not claimed their dividend for the financial year 2011-12 to claim the shares from the Company immediately. The company is now in process of transferring 1,47,382 underlying Equity Shares, in aggregate in respect of 227 Members on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority.

The Company has requested the Members vide its letter dated June 5, 2019 to those who have not encashed/claimed their dividend for the financial year 2012-13 to claim the amount of dividend from the Company immediately. The unclaimed / unpaid dividend amount, if not encashed will be transferred to the IEPF, established by the Government of India along with the underlying shares with respect to such dividend. The due date for transfer of the unclaimed /unpaid dividend to IEPF relating to the financial year 2012-13 is 08.09.2019.

### 7. RESERVE BANK OF INDIA (RBI) GUIDELINES

Your Company continues to carry on its business of Non-Banking Financial Institution without accepting deposits. The Company has not accepted public deposits during the year under review. Further the Company has complied with and continues to comply with all the prudent financial management norms and directions issued by Reserve Bank of India as applicable to it including Fair Practices, Anti Money Laundering and Know Your Customer (KYC) Guidelines.

Disclosures as prescribed by Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other applicable NBFC Regulations have been made in this Annual Report.

### 8. SHARE CAPITAL

The paid up equity share capital as on 31st March 2019 was ₹ 9,511.92 Lakhs. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has neither issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

### 9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirement of Section 134 (3) (c) of the Companies Act, 2013 your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- they have taken proper and sufficient care for the 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 fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;

## Directors Report (Contd.)

- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 10. CORPORATE GOVERNANCE

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance along with certificate of compliance from M/s Prateek Kohli & Associates, Company Secretaries confirming compliances to the conditions of the Corporate Governance is enclosed as **Annexure - 2** to this Report.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Managing Director/CEO of the Company is contained in the Corporate Governance Section forming part of this Report.

The Managing Director/CEO and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is a Non-Banking Financial Company and therefore information relating to Conservation of Energy and Technology Absorption are not applicable.

The Company has neither earned nor used any foreign exchange during the year under review.

### 12. KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Ayush Agrawal, Chief Financial Officer of the Company has resigned w.e.f. 11th September, 2018 and in his absence Mr. Alok Banerjee was appointed as Chief Financial Officer pursuant to Section 203 read with Rule 8 of the Companies (Appointment and Remuneration) Rules, 2014 w.e.f. 1st November, 2018. The Board places on record its high appreciation of the valuable services rendered by Mr. Ayush Agrawal during his tenure as Chief Financial Officer of the Company.

### 13. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of Section 92 (3) of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 is enclosed as **Annexure - 3** to this Report and the same is available on the Company's website and the web link of the same is: <https://www.uyfincorp.com/wp-content/uploads/2019/08/Extract-of-Annual-Return-2018-19-1.pdf>

### 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company is exempted from the applicability of the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Companies (Meetings of Board and its Powers) Amendment Rules, 2015 as your Company is RBI registered Non-Banking Financial Company whose principal business inter-alia includes financing of companies.

Details of Loans, Investments, Guarantees or security in connection with loans to other body corporates or persons, as at the end of the year are given in notes to the Financial Statements.

### 15. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

There is no such material change and commitment affecting the financial position of your Company which have occurred between the end of the financial year of your Company to which the financial statements relate and the date of the Report.

### 16. MEETING OF THE BOARD AND AUDIT COMMITTEE

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other Board business. During the year, Six Board Meetings and four Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details regarding Board and Audit Committee Meetings are given in the Corporate Governance Section forming part of this Report.

## Directors Report (Contd.)

### 17. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

### 18. SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the requirements of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

### 19. SUBSIDIARY COMPANIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

During the year under review the Company has disposed the entire equity stake in the following Companies:-

1. Golden Goenka Financial Advisors Limited
2. Golden Goenka Management Consultancy Services Limited
3. Golden Goenka Properties & Construction Private Limited
4. Goodpoint Conclave Limited
5. Linkwise Promoters Private Limited

Consequent to the said disposal, the aforesaid Companies ceases to be the subsidiaries of our Company w.e.f. 29th September, 2018.

As on March 31, 2019, the Company has one wholly owned non listed material Indian subsidiary and one Associate Company.

As per the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014 as amended by the Companies (Accounts) Amendment Rules, 2016, a separate statement containing the salient features of the financial statements of the Subsidiary Companies/ Associate Companies/ Joint Ventures is prepared in Form AOC-1 and the same is enclosed as **Annexure – 4** to this Report.

### 20. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards 21 issued by the Institute of Chartered Accountants of India (ICAI), and as per the provisions of Companies Act, 2013 which forms part of the Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiary on its website [www.uyfincorp.com](http://www.uyfincorp.com) and copy of separate audited financial statements of its subsidiary will be provided to the shareholders at their request.

The annual accounts of subsidiary will also be kept for inspection by any Member of the Company at the registered office of the Company. The Consolidated Financial Statements presented by the Company include the financial information of its subsidiary.

The financials of Purple Advertising Services Private Limited, an associate of the Company could not be completed and hence same has not been considered for consolidation purpose.

### 21. AUDITORS AND AUDITOR'S REPORT

#### A. Statutory Auditors

M/s Das & Prasad, Chartered Accountants (ICAI Firm Registration Number: 303054E) were appointed as Statutory Auditors of the Company at the 25th Annual General Meeting (AGM) held on 26th September, 2018 for a term of five consecutive years from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting, at a remuneration to be determined by the Board of Directors (including any Committee thereof) of the Company and reimbursement of out of pocket expenses as may be incurred by them during the course of the Audit.

The observations of the Auditors when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

#### B. Secretarial Auditor

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed M/s Prateek Kohli & Associates, Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year ended on March 31, 2019.

## Directors Report (Contd.)

Secretarial Audit Report issued by M/s Prateek Kohli & Associates, Company Secretaries in Form MR-3 is enclosed as **Annexure - 5** to this Report.

There is no reservation, qualification or adverse remark contained in the Secretarial Audit Report. Information referred in Secretarial Audit Report are self-explanatory and don't call for any further comments.

### 22. RISK MANAGEMENT

The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed through appropriate structures that are in place at U. Y. Fincorp Limited, including suitable reporting mechanisms.

Further kindly refer to the write-up in the Section Management Discussion and Analysis Report.

### 23. PARTICULARS OF EMPLOYEES REQUIRED UNDER SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

The prescribed particulars of remuneration of employees pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, are set out as **Annexure -6** to this Report.

### 24. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTOR UNDER SUB SECTION (6) OF SECTION 149 OF COMPANIES ACT, 2013

All the Independent Directors of your Company have submitted a declaration at the time of their appointment and also annually that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All requisite declarations were placed before the Board.

### 25. DIRECTORS

In accordance with the provisions of Section 152 of the Act and your Company's Articles of Association, Mr. Udai Kothari (DIN: 00284256) retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

During the period under review, Mr. Niranjan Kumar Choraria tendered his resignation from the Directorship of the Company w.e.f. 11th August, 2018 due to his pre-occupation. The Board places on record its high appreciation of the valuable services rendered by Mr. Niranjan Kumar Choraria during his tenure as Directors of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company has appointed Mr. Nishant Sharadrao Nanda (DIN: 08196581) as Additional Directors (Category – Independent) with effect from 10th August, 2018 to hold office up to the date of 25th Annual General Meeting (AGM) under Section 161 of the Companies Act, 2013. Further subject to approval of the Members, the Board recommends appointment of Mr. Nishant Sharadrao Nanda (DIN: 08196581) as Independent Directors of your Company for a period of 5 (five) consecutive years with effect from 10th August, 2018. The same has been approved by the members of the company at the 25th Annual General Meeting held on 26th September, 2018.

Subjected to the approval of the members by way of Special Resolution at the ensuing 26th Annual General Meeting of the Company the Board of Directors at its meeting held on 14th August, 2019 on the basis of performance evaluation and recommendation of the Nomination and Remuneration Committee considered and approved the re-appointment of both Mrs. Leena Hinesh Jobanputra (DIN:- 06975039) and Mr. Govind Kumar Goyal (DIN:- 02466348) as an Independent Directors of the Company for second term of 5 (five) consecutive years not liable to retire by rotation with effect from 12th November, 2019 and 24th July, 2020 respectively. The information as required to be disclosed under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in case of re-appointment/appointment of the director is provided in the Corporate Governance Section forming part of this Report.

### 26. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY

During the year under review, there is no change in the nature of the business.

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

During the year under review, there were no such orders passed by the regulators / courts / tribunals impacting the going concern status and your Company's operations in future.

## Directors Report (Contd.)

### 28. BOARD EVALUATION

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and provisions of Schedule IV to the Act as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has carried out performance evaluation for the Board of Directors, Committees of the Board and Individual Directors on the basis of participation of directors, quality of information available, quality of discussions, contributions and decision making etc. The overall performance of the members of the Board was found satisfactory. The manner in which the evaluation is carried out has been explained in the Corporate Governance Section forming part of this Report.

### 29. PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However, pursuant to the provisions of Regulation 23 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior approval of the Audit Committee was sought for entering into the Related Party Transactions. Further, the Audit Committee granted omnibus approval for repetitive transactions to be entered into with the related parties, during the year. The Audit Committee reviews all related party transactions on a quarterly basis.

A Policy on the Related Party Transactions has been devised by your Company for determining the materiality of transactions with related parties and dealings with them. The said Policy is available on your Company's website [www.uyfincorp.com](http://www.uyfincorp.com) and a web link to the said Policy has been provided in the Corporate Governance Section forming part of this Report.

### 30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Kindly refer to the write-up in the Section Management Discussion and Analysis Report.

### 31. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy, if any.

The Policy is also available on the Company's website and the web link of the same is: <https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL-WB-Policy.pdf>

### 32. POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has in place the Policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March, 2019, the Company has not received any Complaints pertaining to Sexual Harassment.

### 33. NOMINATION AND REMUNERATION COMMITTEE

During the financial year 2018-19, three Nomination and Remuneration Committee Meetings was held on 23.05.2018, 10.08.2018 and 31.10.2019.

The Composition of the Committee has been provided in the Corporate Governance Section forming part of this Report.

The terms of reference of the Committee are wide enough to cover matters specified for the Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Company's Remuneration Policy has been provided in the Corporate Governance Section forming part of this Report.

### 34. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and on the recommendation of the said committee, the Board has approved a Corporate Social Responsibility ('CSR') policy and the same has been uploaded on the website of the Company [www.uyfincorp.com](http://www.uyfincorp.com) which contains the CSR activities being carried out by the Company, governance structure, implementation process, etc.

## Directors Report (Contd.)

Your Directors are pleased to inform that the Company has fulfilled its CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2018-19 inter-alia on CSR projects in the areas of education. The details on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided as **Annexure - 7** and forms part of this Report.

The Policy is also available on the Company's website and the web link of the same is: [https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_CSR-Policy.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_CSR-Policy.pdf)

### 35. OTHER DISCLOSURES

In March 2015, search and seizure operations were conducted by the Income Tax Authorities under Section 132 of the Income Tax Act. During the course of the search and seizure operations, the Income Tax Authorities have taken custody of certain materials such as documents, records and recorded statements of certain officials of the Company. The Company does not expect any liability arising out of the aforesaid search and seizure.

### 36. CHANGE OF THE NAME OF THE COMPANY

Since the management of the Company has changed in August, 2017 and the new management took over under the leadership of **Mr. Udai Kothari**. Therefore it was proposed to change the name of the Company from **Golden Goenka Fincorp Limited** to **U. Y. Fincorp Limited** by using the prefix "**U. Y.**" in place "**Golden Goenka**" to reflect the new promoter of the Company.

Subjected to the approval of the members and other regulatory authorities, the Board of Directors at their meeting held on 14th August, 2017 had approved the change of name of the Company to U. Y. Fincorp Limited. The same was approved by the shareholders at their 25th Annual General Meeting held on 26th September, 2018.

Further the Company has receipt all the necessary approvals from the various statutory authorities for the change of name of the Company. Pursuant to issue of fresh certificate of incorporation dated 10th December, 2018 by Registrar of Companies, West Bengal, the name of the Company was changed from **Golden Goneka Fincorp Limited** to "**U. Y. Fincorp Limited**" with effect from 10th day of December, 2018.

### 37. ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the excellent support and co-operation received from the Banks, RBI, SEBI, MCA, Registrar and Share Transfer Agents, Registrar of Companies, Stock Exchanges, Depositories, Customers, Business Associates, Members and other Stakeholders during the year under review. Your Directors also place on record their deep appreciation for the valuable contribution of the employees at all levels for the progress of your Company during the year and look forward to their continued co-operation in realisation of the corporate goals in the years ahead.

For and on Behalf of the Board

Sd/-

Udai Kothari  
(Chairman & Managing Director)  
(DIN:-00284256)

Kolkata-700001  
Dated: 14th August, 2019

# Annexure-1 to the Directors' Report Management Discussion And Analysis Report

## INDUSTRY STRUCTURE AND DEVELOPMENTS

During the year under review, global economic activity lost its momentum, resulting in a synchronised slowdown across advanced and emerging market economies. The Indian economy in financial year 2018-19 displayed two distinct trends. In the first half of the financial year, GDP growth was strong at 7.5%, though there were inflationary concerns, largely due to volatile crude oil prices. The Reserve Bank of India (RBI) raised the repo rate by 25 basis points each in June and August 2018. In the second half of the financial year, India's growth momentum slipped off due to rising interest rates, tight liquidity conditions and rising risk averseness. This was exacerbated by an across-the-board slowdown of high-frequency indicators such as sales of two-wheelers, passenger vehicles, white goods and fast moving consumer goods, amongst others. With a benign inflation scenario playing out in the second half of the financial year, the RBI reduced the repo rate by 25 basis points in February 2019. The RBI followed this with another reduction in the repo rate by 25 basis points in April 2019.

In India, the Non Banking Financial Companies (NBFCs) play an active role in meeting the funding needs of those segments of the society who mostly remain unserved by the formal modes of institutional funding. NBFCs are essentially fuelling entrepreneurship by catering to the funding needs of the micro, small and medium enterprises (MSMEs). The year under review has been a challenging one for the NBFC sector. Some isolated market events have significantly reduced the flow of funds to NBFCs from the institutional sources.

RBI has tried to address the liquidity concerns of NBFCs, but more steps are needed. Your Company is continuously monitoring all these developments and is on the lookout for new opportunities. Keeping in mind the recent challenges that have surfaced in the NBFC sector, your Company has stepped up its interactions with the government and the regulators.

## OPPORTUNITIES & THREATS

The success of our organisation depends on our ability to identify strengths & opportunities and leverage them while mitigating the risks that arise while conducting our business. Your Company has taken these factors into account in drawing up its plans for the year, without losing sight of its core markets and segments. Rising interest rates in light of the tight liquidity and intensifying competition are likely to exert further pressure on margins. Your company expects to manage this through financing an appropriate mix of higher and lower yielding assets, while ensuring that asset quality continues to remain best in class.

Some of the opportunities for the business of your Company includes Demographic changes and under penetrated market, Growth in Commercial Vehicles, Passenger Vehicles and Tractors market, Use of digital solutions for business/collections and Economic Upliftment etc.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The business of the Company predominantly falls within a single primarily business segment viz. "Financial and Related Services" and hence the disclosure requirement of Accounting Standard- 17 "Segment Reporting" notified by the Central Government under Companies (Accounting Standards) Rules, 2006 is not applicable.

## OUTLOOK

GDP growth is expected to touch a respectable mark of 7.3% in 2020, up from 7.1% in the previous year and 7.5% in 2021, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy is expected to spur demand by improving the overall consumer sentiment in the financial year 2019-20. The Company expects demand to continue to remain buoyant and expects the disposable income in the hands of consumers to increase due to pick up in economic activity and various government initiatives in the areas of ease of doing business based on continued implementation of structural reforms and easing of infrastructure bottlenecks further opening of FDI, targeting inflation for monetary policy, smart cities campaign, urban development, encouraging start-ups and skill development etc. The Company is well placed to leverage the opportunity.

## RISK MANAGEMENT

The risk management strategy of your Company is based on a clear understanding of various risks, and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. Your Company continues to lay emphasis on risk management, especially in an environment which is characterised by increasing uncertainties. Your Company has developed robust systems and embraced adequate practices for identifying, measuring and mitigating various risks – business, strategic, operational, market, credit, liquidity, reputational and process risks and ensuring that they are contained within pre-defined threshold levels.

Your Company has a strong framework for the appraisal and execution of credit facilities that involves a detailed evaluation of industry, business, financial, project and management factors including sponsor's financial strength and experience. A team of well qualified and experienced individual examine the proposals at various levels and evaluate all information which are gathered from relevant sources during the assessment process to facilitate credit decisions. This process ensures that the

## Management Discussion And Analysis Report (Contd.)

expertise in lending operations acquired by the Company over the period is put to best use and acts to mitigate credit risks.

Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. In addition, to manage operational risk prudently, Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy are in place, which helps to prevent your Company from being used intentionally or unintentionally by criminal elements for money laundering.

Your Company's risk management framework emphasises proper analysing and understanding the underlying risks before undertaking any transactions and changing or implementing processes and systems. This enables a proper assessment of all risks and ensures that the transactions and processes conform to your Company's risk appetite and regulatory requirements.

### INTERNAL CONTROL SYSTEM

Your Company has put in place adequate internal controls system to ensure that all assets are protected, with documented procedures. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. Your Company's Internal Control System is commensurate with the nature of its business and the size and complexity of its operations and ensures compliance with policies and procedures. The Internal Control Systems are being constantly updated with new/revised standard operating procedures.

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Furthermore, the Audit Committee of your Company evaluates and reviews the adequacy and effectiveness of the internal control systems and suggests improvements. Significant deviations are brought to the notice of the Audit Committee and corrective measures are recommended for implementation. The critical audit observations are shared with the Audit Committee on a quarterly basis for an effective monitoring of controls and implementation of recommendations. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. All these measures help in maintaining a healthy internal control environment.

Kindly refer to "Annexure-A" of the Statutory Auditor's Report dated 29th May, 2019 on this matter.

### FINANCIAL PERFORMANCE

During the year under review, your Company achieved revenue from operations of ₹ 2,000.97 lakhs as against ₹ 2,357.98 lakhs in the previous year and recorded profit before tax of ₹ 1,254.32 lakhs as against ₹ 1,647.21 lakhs in the financial year 2017-18.

### SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

During the financial year ended 31st March 2019, there is no change of 25% or more in key financial ratios. The return on net worth was decreased by 1.78% in comparison to previous financial year 2017-18 due to provisions created against non-performing assets and diminution in the value of investments.

### HUMAN RESOURCES

To U. Y. Fincorp Limited, its people are a very valuable resource. In an increasingly competitive market for talent, UYFL continues to focus on attracting and retaining right talent. It is committed to provide right opportunities to employees to realise their potential. Your Company focuses on widening organisational capabilities and improving organisational effectiveness by having a competent and engaged workforce. Our people are our partners in progress and employee empowerment has been critical in driving our organisation's growth to the next level.

For your Company, all employees form part of an extended family and your Company has continued in its efforts to encourage wellness in mind, body and spirit. Talent Management and Development plays a pivotal role to attract and build people capability for their growth and through them for the growth of the organization.

*For and on behalf of the Board*

Place: Kolkata

Date: 14th August, 2019

Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN: 00284256)

## ANNEXURE-2 TO THE DIRECTORS' REPORT

### Report On Corporate Governance

#### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015').

The Company believes in adopting best practices in the area of Corporate Governance and follows the principles of complete transparency and accountability by providing detailed information on various issues concerning the Company's business and financial performance to its shareholders.

The Board of Directors (Board) considers itself as the trustee of its shareholders. During the year under review, the Board continued its pursuit by adopting corporate strategies and prudent business plans. The Company followed adequate monitoring system to safeguard against major risk and to ensure implementation of policies and procedures to satisfy its social, legal and ethical responsibilities.

#### II. BOARD OF DIRECTORS

##### (a) Composition of the Board:

As on date, the Board of Directors comprises of three Executive Directors and four Non-Executive Directors. Non-Executive Directors constitute more than half of the total number of Directors. Four out of the seven Directors are Independent Directors which duly complied with the requirements of SEBI Listing Regulations, 2015. The Company has an Executive Chairman who is also promoter of the Company.

The information on composition of the Board as on date, category of Directors, Directorships in other Public Limited Companies and Committees of other Public Limited Companies of which the Director is a member/chairman, is as under:

Name of the Directors	Category of Directors	No. of Directorships held in other Public Limited Companies	No. of other Board Committee(s) of which he is a Member**	No. of other Board Committee(s) of which he is a Chairman#
Mr. Udai Kothari	Chairman & Managing Director-Promoter	3	NIL	NIL
Mr. Deepak Kothari	Executive Non-Independent -Promoter	5	NIL	NIL
Mr. Dinesh Burman	Executive Non-Independent	3	NIL	NIL
Mr. Govind Kumar Goyal	Non-Executive Independent	NIL	NIL	NIL
Mrs. Leena Hinesh Jobanputra	Non-Executive Independent	NIL	NIL	NIL
Mr. Jignesh Dalal	Non-Executive Independent	NIL	NIL	NIL
Mr. Nishant Sharadrao Nanda	Non-Executive Independent (Appointed w.e.f. 10.08.2018)	NIL	NIL	NIL
Mr. Niranjana Kumar Choraria	Non-Executive Independent (Resigned w.e.f. 11.08.2018)	1	2	NIL

\*\* Only Public Limited Companies have been considered.

# includes the Chairmanship/ Membership only of the Audit Committee(s) and Stakeholders Relationship Committee(s).

There are no inter-se relationships among the directors. None of the Non-Executive Directors of the Company has any pecuniary relationship or transactions with the Company.

During the period under review, the Board of Directors of the company had evaluated the performance of the Independent Directors as required under Regulation 17(10) of the SEBI Listing Regulations, 2015.

None of the Non-Executive Directors holds any shares or convertible instruments of the Company as on 31<sup>st</sup> March, 2019.

## Report On Corporate Governance (Contd.)

### (b) Number of Board Meetings:

During the financial year 2018-19, six meetings of the Board of Directors were held on 23.05.2018, 10.08.2018, 31.10.2018, 14.11.2018, 09.02.2019 and 28.03.2019.

The information on attendance at Board Meetings held during the year and at the last Annual General Meeting is as under:

Name of the Directors	Board Meetings			Attendance at last Annual General Meeting
	Held during the year	Held during the tenure	Attended	
Mr. Udai Kothari	6	6	4	Yes
Mr. Deepak Kothari	6	6	5	Yes
Mr. Dinesh Burman	6	6	6	Yes
Mr. Govind Kumar Goyal	6	6	3	No
Mrs. Leena Hinesh Jobanputra	6	6	6	Yes
Mr. Jignesh Dalal	6	6	6	Yes
Mr. Nishant Sharadrao Nanda (Appointed w.e.f. 10.08.2018)	6	4	3	Yes
Mr. Niranjana Kumar Choraria (Resigned w.e.f. 11.08.2018)	6	2	2	N.A.

### (c) Independent Directors

The Company has complied with the definition of Independence as per SEBI Listing Regulations, 2015 and according to the Provisions of Section 149(6) of Companies Act, 2013. A formal letter of appointment has been issued to the Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment of Independent Directors has been placed on the Company's website and the web link of the same is :- [https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_Terms-Conditions-for-appointment-of-Independent-Directors.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_Terms-Conditions-for-appointment-of-Independent-Directors.pdf)

#### Independent Directors Meeting

A meeting of the Independent Directors of the Company was held on March 28, 2019, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 & SEBI Listing Regulations, 2015. All the Independent Directors were present in the meeting. The following issues were discussed in detail:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In the opinion of Board, all the independent Directors of the Company fulfils the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulation 2015 and are independent of the management.

Due to pre-occupation, Mr. Niranjana Kumar Choraria has resigned from the post of directorship of the company w.e.f. 11.08.2018 before the expiry of his term and confirmed that there is no material reason other than his pre-occupation for his resignation.

#### Training of Independent Directors

Whenever new Non-Executive and Independent Directors are inducted in the Board, the Company takes steps to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc.

The directors are also explained in detail about the compliances required from them under the Companies Act, 2013, SEBI Listing Regulations, 2015 and other relevant regulations. The details of familiarization programme for Independent Directors has been placed on the Company's website and the web link of the same is:-

[https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_Familiarisation-Programme-for-Independent-Directors.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_Familiarisation-Programme-for-Independent-Directors.pdf)

## Report On Corporate Governance (Contd.)

### III. AUDIT COMMITTEE

- The Committee's composition and terms of reference are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, 2015.
- During the financial year 2018-19 four Audit Committee Meetings were held on 23.05.2018, 10.08.2018, 14.11.2018 and 09.02.2019.
- The composition of Audit Committee as on date and the information on attendance at Audit Committee Meetings held during the year are as under:

Name of the Directors	Positions Held	Nature of Directorship	No. of Meetings Held	Held during the tenure	No. of Meetings Attended
Mr. Jignesh Dalal	Member (w.e.f. 15.02.2018) & Chairman (w.e.f. 11.08.2018)	Independent & Non-Executive Director	4	4	4
Mr. Govind Kumar Goyal	Member (w.e.f. 11.08.2018)	Independent & Non-Executive Director	4	2	2
Mrs. Leena Hinesh Jobanputra	Member	Independent & Non-Executive Director	4	4	4
Mr. Niranjan Kumar Choraria	Chairman (upto 10.08.2018)	Independent & Non-Executive Director	4	2	2

All the members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. The Statutory Auditors and Internal Auditors are regular invitee. The Company Secretary acts as the Secretary of the Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer shareholder queries.

### IV. NOMINATION AND REMUNERATION COMMITTEE

- The Committee's composition and terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, 2015.
- The Nomination and Remuneration Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statute, rule and regulation which the Committee deems relevant, make recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive, Non-Executive Directors and Key Managerial Personnel of the Company, ensure 'fit and proper' status of the existing/proposed Directors of the Company in accordance with RBI Circular on Corporate Governance, issued from time to time, and other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, 2015.
- During the financial year 2018-19, three Nomination and Remuneration Committee Meeting were held on 23.05.2018, 10.08.2018 and 31.10.2018.
- The composition of Nomination and Remuneration Committee as on date and the information on attendance at Nomination and Remuneration Committee Meeting held during the year are as under:

## Report On Corporate Governance (Contd.)

Name of the Directors	Positions Held	Nature of Directorship	No. of Meetings Held	Held during the tenure	No. of Meetings Attended
Mr. Jignesh Dalal	Member (w.e.f. 15.02.2018) & Chairman (w.e.f. 11.08.2018)	Independent & Non-Executive Director	3	3	3
Mr. Govind Kumar Goyal	Member (w.e.f. 11.08.2018)	Independent & Non-Executive Director	3	1	0
Mrs. Leena Hinesh Jobanputra	Member	Independent & Non-Executive Director	3	3	3
Mr. Niranjan Kumar Choraria	Chairman (upto 10.08.2018)	Independent & Non-Executive Director	3	2	2

All members of the Nomination and Remuneration Committee are Independent Directors. The Company Secretary acts as the Secretary of the Committee. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company to answer shareholder queries.

e) The Committee has formulated the Policy on Board Diversity which sets out the approach to have diversity on the Board of Directors ("Board") of the Company in terms of thought, experience, knowledge, perspective and gender in the Board.

f) **Performance Evaluation**

The Nomination and Remuneration Committee (NRC) of the Company formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and the Regulation 19 of SEBI Listing Regulations, 2015 covering inter-alia the following parameters:

- i) **For Board Evaluation :** – Qualification and experience, Standard of Integrity, Public relations, Future vision and innovation, Degree of fulfillment of key responsibilities; Board culture and dynamics.
- ii) **Board Committee Evaluation :** – Qualification and experience of Members, Depth of review of Financial performance, Review of Regulatory Compliances, Fraud Monitoring, Effectiveness of meetings; Committee dynamics.
- iii) **Individual Director Evaluation (including IDs):** – Qualification and experience, Attendance in Board Meetings/AGM, Understanding the Companies Business, Contribution at Board Meetings.

Further, the Chairman and Managing Director (CMD) is evaluated on key aspects of his role which includes inter-alia effective leadership to the Board. During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Chairperson of your Company, taking into account the views of Executive Director and Non-Executive Directors.

Further, the Independent Directors hold an unanimous opinion that the Non-Independent Directors, including the Chairman and Managing Director bring to the Board, abundant knowledge in their respective field and are experts in their areas. Besides, they are insightful, convincing, astute, with a keen sense of observation, mature and have a deep knowledge of your Company.

The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative.

The Chairman has abundant knowledge, experience, skills and understanding of the Board's functioning, processes a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

The information flow between your Company's Management and the Board is complete, timely with good quality and sufficient quantity.

## Report On Corporate Governance (Contd.)

### V. REMUNERATION OF DIRECTORS

- a) On the recommendation of Nomination and Remuneration Committee the Board of Directors has framed a policy, relating to remuneration of the Directors, Key Managerial Personnel and Other Employees. The Company's Remuneration Policy is as follows:-

#### REMUNERATION POLICY:-

Company's remuneration policy is guided by the following principles:

- Long-term value creation.
- Remunerate achievement of results on the basis of prudent, responsible risk bearing.
- Attract and retain the best professionals.
- Reward the level of responsibility and professional path.
- Ensure equity in the Company and competitiveness outside it.
- Ensure transparency in its remuneration policy.

#### i. NON-EXECUTIVE DIRECTORS

The Non-Executive Directors (NEDs) will be paid remuneration by way of Sitting Fees at a rate as fixed by the Board of Directors of the Company. Currently fee is as follows

- Board Meeting ₹ 5,000/-
- Committee Meeting ₹ 1,000/-

Apart from making payment of sitting fees for attending the Board Meetings/ Committee Meetings and defraying expenses for attending such meetings and other travelling expenses incurred wholly and exclusively in attending to Company's work, no remuneration in any form is paid to Non-Executive Directors.

#### ii. EXECUTIVE DIRECTORS

The Company pays monthly remuneration to Executive Directors. The tenure of employment of Executive Directors of the Company may be terminated by the Company by giving notice of 45 days or payment of Salary (Basic) in lieu thereof. In case, the Executive Directors do not wish to continue with the Company, they should serve a notice period of 90 days prior to date of leaving or should make payment of Salary (Basic) in lieu thereof.

The Executive Directors shall not be entitled for any sitting fees for attending the meeting of the Board of Directors of the Company or any Committees thereof, as long as they function as the Executive Directors of the Company.

The Company shall pay remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the Shareholder's and as per Section 197 and 198 read with Schedule V of the Companies Act, 2013.

#### iii. OTHER KEY MANAGERIAL PERSONNELS EXCLUDING EXECUTIVE DIRECTORS

The Company shall pay remuneration by way of salary, perquisites and allowances (fixed component) and performance based variable component, if any, to other Key Managerial Personnel excluding the Executive Directors. Salary shall be paid as per term and condition of appointment letter within the range approved by and ratified by the Nomination and Remuneration Committee and Board of Directors.

Annual increments effective 1<sup>st</sup> April each year, as recommended by the Nomination and Remuneration Committee, shall be approved by the Board. Specific amount payable to personnel will be based on the performance criteria which takes into account the profits earned by the Company for the year and prevailing remuneration in similar industry in which the Company operate.

- b) Remuneration paid to Directors during the financial year ended 31<sup>st</sup> March, 2019 is as under:

#### Non- Executive Directors

(Amount in ₹)

Name of the Directors	Sitting fees paid
Mr. Jignesh Dalal	40,000
Mr. Niranjana Kumar Choraria	16,000
Mr. Nishant Sharadrao Nanda	15,000
Mrs. Leena Hinesh Jobanputra	41,000
Mr. Govind Kumar Goyal	22,000

## Report On Corporate Governance (Contd.)

### Executive Directors

(Amount in ₹)

Name of the Directors	Remunerations
Mr. Udai Kothari (Chairman & Managing Director)	Salary – 24,00,000 Perquisites - NIL Other Allowances -24,00,000
Mr. Deepak Kothari (Whole-time Director )	Salary –12,00,000 Perquisites - NIL Other Allowances -12,00,000
Mr. Dinesh Burman (Whole-time Director )	Salary- 204,000 Perquisites - NIL Other Allowances –102,000

- c) The Non-Executive Independent Directors on the Company's Board, apart from receiving sitting fees do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries or associate companies.

### VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

- a) The Committee's composition and terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations, 2015.
- b) The Stakeholders' Relationship Committee oversees the performance of Niche Technologies Private Limited, the Registrar and Shares Transfer Agents of the Company and recommends measures to improve the level of investor related services. Though the power to approve share transfer/share transmission is delegated to the Registrar and Share Transfer Agent countersigned by the Company's Representative, all the share transfer/transmission cases approved by the Registrar are reported to the Committee which also keeps a close watch on disposal status of all complaints/grievances of Shareholders. During the period under review, one complaint was received by the Company/Registrar and Share Transfer Agent from shareholders which has been resolved within timelines. There was no share transfer application pending for registration as on 31<sup>st</sup> March, 2019.
- c) During the financial year 2018-19 four Stakeholders Relationship Committee Meetings were held on 23.05.2018, 10.08.2018 14.11.2018 and 09.02.2019.
- d) The composition of Stakeholders Relationship Committee as on date and the information on attendance at Stakeholders Relationship Committee Meetings held during the year is as under:

Name of the Directors	Positions Held	Nature of Directorship	No. of Meetings Held	Held during the tenure	No. of Meetings Attended
Mr. Jignesh Dalal	Chairman (w.e.f. 11.08.2018)	Independent & Non-Executive Director	4	2	2
Mr. Udai Kothari	Member	Managing Director	4	4	2
Mr. Dinesh Burman	Member	Executive Director	4	4	4
Mrs. Leena Hinesh Jobanputra	Member	Independent & Non-Executive Director	4	4	4
Mr. Niranjan Kumar Choraria	Chairman (upto 10.08.2018)	Independent & Non-Executive Director	4	2	2

The Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company to answer shareholder's queries.

SEBI has initiated a complaints redressal system (SCORES) for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and has not received any complaints from its shareholders in the financial year 2018-19.

- e) Name of Non-Executive Director heading the committee:-Mr. Jignesh Dalal.
- f) Name & Designation of Compliance Officer:-Mrs. Amrita Mohta Kothari, Company Secretary.
- g) Number of Shareholder's queries pending as on 1<sup>st</sup> April, 2018:- NIL

## Report On Corporate Governance (Contd.)

- h) Number of Shareholder's queries received during the year 2018-19:-1
- i) Number of Shareholder's queries not solved to the satisfaction of shareholders:- NIL
- j) Number of pending complaints as on 31<sup>st</sup> March, 2019:- NIL

### VII. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

- a) The Board of Directors at its meeting held on 13<sup>th</sup> November, 2015 constituted the Corporate Social Responsibility (CSR) Committee in accordance with section 135 of the Companies Act, 2013 read along with rules framed there under.
- b) The Terms and Reference of the Committee are as follows:
  - Formulation and recommendation of CSR Policy to the Board.
  - Monitoring of implementation of CSR policy.
  - Identify key initiatives pursuant to the CSR policy.
  - Recommend to the Board, CSR expenditure to be incurred.
  - Recommend to the Board, modifications to CSR policy as and when required.
  - To carry out such other functions, and is empowered to act as required, in terms of Companies Act, 2013 read with rules framed there under, Listing Agreement and rules and regulations framed by Securities and Exchange Board of India, including any amendment or modification thereof.
- c) During the financial year 2018-19 one CSR Committee Meeting was held on 28.03.2019.
- d) The composition of CSR Committee as on date and the information on attendance at CSR Committee Meetings held during the year is as under:

Name of the Directors	Positions Held	Nature of Directorship	No. of Meetings Held	Held during the tenure	No. of Meetings Attended
Mr. Udai Kothari	Chairman	Managing Director	1	1	1
Mr. Dinesh Burman	Member	Executive Director	1	1	1
Mr. Jignesh Dalal	Member (w.e.f. 11.08.2018)	Independent & Non-Executive Director	1	1	1
Mr. Niranjana Kumar Choraria	Member (upto 10.08.2018)	Independent & Non-Executive Director	1	0	0

### VIII. CEO/CFO CERTIFICATION

In terms of requirements of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015, Mr. Udai Kothari, Managing Director & Chief Executive Officer and Mr. Alok Banerjee, Chief Financial Officer have furnished certificate to the Board of Directors at its meeting held on 29<sup>th</sup> May, 2019 in the prescribed format for the year ended 31<sup>st</sup> March, 2019.

## Report On Corporate Governance (Contd.)

To  
**The Board of Directors**  
**U. Y. Fincorp Limited**  
**16 Strand Road,**  
**9th Floor, Room No 908B**  
**Kolkata-700 001**

Dear Sir,

**Re: For the year ended 31st March, 2019**

We certify that:

- a. That we have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- e. We certify that the financial statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

**Place: Kolkata**

**Date: 29.05.2019**

**Sd/-**  
**Udai Kothari**  
**Chief Executive Officer**

**Sd/-**  
**Alok Banerjee**  
**Chief Financial Officer**

### **IX. CODE OF CONDUCT**

The Code of Ethics and Business Conduct for Directors and Senior Management has been displayed on the Company's website :- [www.uyfincorp.com](http://www.uyfincorp.com). All the members of the Board and the Senior Management Personnel has affirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2019 and a declaration to this effect signed by Mr. Udai Kothari, Chairman & Managing Director forms part of this Report.

## Report On Corporate Governance (Contd.)

To,  
Board of Directors  
U. Y. Fincorp Limited  
16 Strand Road, 9<sup>th</sup> Floor,  
Room No 908B, Kolkata-700 001

Dear Sir,

### **Sub: Compliance with the Company's Code of Ethics and Business Conduct**

In accordance with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Code of Ethics and Business Conduct of the Company for the financial year ended March 31, 2019.

*For U. Y. Fincorp Limited*

**Place: Kolkata**  
**Date: 29.05.2019**

**Sd/-**  
**Udai Kothari**  
**Chairman & Managing Director**  
**(DIN:- 00284256)**

### **X. CODE OF CONDUCT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

In compliance with the requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same has been adopted by the Board of Directors. A copy of the same have been uploaded on the Company's website at [www.uyfincorp.com](http://www.uyfincorp.com).

Your Company has also adopted a Code of Conduct to monitor, regulate and report insider trading for prevention of Insider Trading by Company Insiders. The code inter-alia prohibits purchase and/or sale of shares of the Company by the Directors and Designated Employees while in the possession of unpublished price sensitive information of the Company.

During the period under review there has been no incidence of Non-compliance reported under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

### **XI. SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS**

The Board of directors of the Company comprise of eminent qualified professional members from the diverse fields, who have significant amount of skills / expertise / competencies and thus make valuable contributions to the Board. The collective contribution of the Board of Directors makes an overall impact which reflects in the performance of the Company.

In compliance with the Listing Regulations, the Board of Directors of the Company has identified the list of core skills / expertise / competencies of the Board of Directors in the context of the Company's business and its sector for effective functioning, which are currently available with the Board:-

Category	Expertise	Skills / Competencies
Independent Directors	<ul style="list-style-type: none"> <li>➤ In-depth Industry Knowledge</li> <li>➤ Audit and Financial Management</li> <li>➤ Treasury</li> <li>➤ Legal and Regulatory Framework</li> <li>➤ Risk Assessment and Management</li> <li>➤ Business Policies</li> <li>➤ Capital Markets</li> </ul>	<ul style="list-style-type: none"> <li>➤ Technical / Professional</li> <li>➤ Analytical</li> <li>➤ Technological</li> <li>➤ Behavioural</li> </ul>
Executive Directors	<ul style="list-style-type: none"> <li>➤ In-depth Industry Knowledge</li> <li>➤ Audit and Financial Management</li> <li>➤ Wealth Management</li> <li>➤ Treasury Operations and Management</li> <li>➤ Business Policies</li> <li>➤ Legal and Regulatory Framework</li> <li>➤ Capital Markets</li> <li>➤ Risk Assessment and Management</li> <li>➤ Asset Liability Management</li> <li>➤ Strategic Management</li> </ul>	<ul style="list-style-type: none"> <li>➤ Governance</li> <li>➤ Leadership</li> <li>➤ Technical</li> <li>➤ Analytical</li> <li>➤ Organisational</li> <li>➤ Technological</li> <li>➤ Planning</li> <li>➤ Resource Management and Utilisation</li> <li>➤ People Management</li> <li>➤ Communication</li> <li>➤ Behavioural</li> </ul>

## Report On Corporate Governance (Contd.)

### XII. GENERAL BODY MEETING

#### a) Location and time of the last three AGMs/EGMs held:-

AGM/EGM	Date	Venue	Time
25th AGM	26.09.2018	Manthan (Banquet Hall), 3, Waterloo Street, Kolkata- 700069	11:00 A.M.
24th AGM	20.09.2017	Manthan (Banquet Hall), 3, Waterloo Street, Kolkata- 700069	11:00 A.M.
23rd AGM	21.09.2016	Manthan (Banquet Hall), 3, Waterloo Street, Kolkata- 700069	11:00 A.M.
EGM	23.05.2012	1st British Indian Street, 1st Floor, Room No. 109, Kolkata – 700069	10:30 A.M.
EGM	12.10.2011	Manthan (Banquet Hall), 3, Waterloo Street, Kolkata- 700069	10:30 A.M.
EGM	27.04.2011	1st British Indian Street, Room No. B-10, Kolkata – 700069	10:00 A.M.

#### b) Whether any special resolution was passed in the previous 3 AGMs/EGMs:- Yes

AGM/EGM	Date	Particulars of Resolution passed as Special Resolution
25th AGM	26.09.2018	a) Re-appointment of Mr. Dinesh Burman as a Whole-time Director of the Company. b) To change name of the Company from Golden Goenka Fincorp Limited to U. Y. Fincorp Limited.
24th AGM	20.09.2017	a) Appointment of Mr. Udai Kothari (DIN: 00284256) as an Executive Chairman and Managing Director of the Company. b) Appointment of Mr. Deepak Kothari (DIN: 00280323) as Whole-time Director of the Company.
22nd AGM	30.09.2015	Re-appointment of Mr. Dinesh Burman as a Whole-time Director of the Company.
EGM	23.05.2012	To issue Zero Percent Optionally Convertible Debentures on Preferential Basis.
EGM	12.10.2011	To change name of the Company from Golden Securities Limited to Golden Goenka Fincorp Limited.
EGM	27.04.2011	To offer, issue and allot, in one or more tranches, upto 1,40,00,000 (One Crore Forty Lakhs Only) Equity Shares of face value of ₹ 10/- each of the Company, on Preferential Basis at a premium of ₹ 8/- each.

#### c) Postal Ballot:-

During the year under review, no resolution was passed by postal ballot in connection with Section 110 of the Companies Act, 2013.

### XIII. MEANS OF COMMUNICATION

In compliance with Regulation 33 of SEBI Listing Regulations, 2015, the Company sends by E-mail the quarterly/ yearly unaudited/ audited financial results to the Stock Exchanges immediately after approval of the Board of Directors of the Company. Information is also sent to BSE Limited by uploading the same on the Listing Portal of BSE Limited and by hand delivery to The Calcutta Stock Exchange Limited.

Results are published in Business Standard (English) and Kalantar/Sukhabar (Bengali) etc. newspapers of Kolkata edition.

The Company's financial results and official news releases are displayed on the Company's website [www.uyfincorp.com](http://www.uyfincorp.com). Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

During the year, the Company has not made any presentation to institutional investors or to the analysts.

## Report On Corporate Governance (Contd.)

### XIV. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting Date** :- Wednesday, 25<sup>th</sup> September, 2019 at 11:30 A.M. to be held at Manthan (Banquet Hall) at 3, Waterloo Street, Kolkata- 700 069.
- (ii) **Financial Year** :- Financial Year ended on 31.03.2019 (2018-2019).
- (iii) **Date of book closure** :- Thursday, the 19th day of September, 2019 to Wednesday, the 25th day of September, 2019 (both days inclusive).
- (iv) **Dividend Payment date** :- N.A.

Listing on Stock Exchange	Stock Code
a) The Calcutta Stock Exchange Limited 7 Lyons Range, Kolkata-700001	10017059
b) The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	530579
Demat ISIN Number in National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for Equity Shares	INE152C01025 for Face Value of ₹ 5/- each

The Company has paid the Annual Listing Fees to The BSE Limited and The Calcutta Stock Exchange Limited for the financial year 2019-20.

Further the Company has also paid the Annual Custodian Fees to NSDL & CDSL for the financial year 2019-20.

- (vi) **Market Price Data** :- The Market Price of the Equity Share of the Company during 2018-2019 is given in the table below:

Months	BSE	
	High	Low
April 2018	7.89	6.44
May 2018	7.47	5.92
June 2018	6.29	4.77
July 2018	5.90	4.72
August 2018	6.57	4.65
September 2018	5.15	4.40
October 2018	5.65	3.80
November 2018	5.00	4.25
December 2018	4.75	4.16
January 2019	5.05	4.20
February 2019	4.99	3.40
March 2019	4.55	3.28

- There was no trading of shares at The Calcutta Stock Exchange Limited during the year.

## Report On Corporate Governance (Contd.)

(vii) **Performance in comparison to broad based indices such as BSE Sensex, Crisil Index etc :-** N.A.

	31.03.2019	31.03.2018	Change (%)
Share Prices of the Company	3.99	7.08	-43.64%
BSE Sensex	38,672.91	32,968.68	17.30%

(viii) **Registrar & Share Transfer Agents :-** Niche Technologies Pvt. Ltd., 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017, Telephone- 033-2280 6616/17/18, Email- [nichetechpl@nicetechpl.com](mailto:nichetechpl@nicetechpl.com).

(ix) **Share Transfer System :-** The transfer of shares is affected by the Registrar and Share Transfer Agents after necessary approvals of the authorised officer. The shares sent for physical transfer are generally registered within a period of maximum 15 days from the date of receipt provided the documents are in order.

(x) a) **Distribution of Shareholding as on 31<sup>st</sup> March, 2019:-**

No. of Shares	No. of Shareholders	Percentage to Total(%)	Total Shares	Percentage to Total(%)
1 – 500	1,449	51.17	2,66,834	0.14
501 – 1000	455	16.07	3,97,497	0.21
1001 – 5000	544	19.21	14,09,764	0.74
5001 – 10000	112	3.95	8,95,215	0.47
10001 – 50000	161	5.68	38,02,775	2.00
50001 – 100000	36	1.27	27,35,532	1.44
100001 & above	75	2.65	18,07,30,712	95.00
<b>Total</b>	<b>2,832</b>	<b>100.00</b>	<b>19,02,38,329</b>	<b>100.00</b>

b) **Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2019:-**

Category	No. of Shareholders	Total No. of Shares	Percentage To Total(%)
Promoters	5	11,49,98,406	60.45
Residents(Individual)	2655	1,09,46,841	5.75
Non-Resident Individual /OCBs	21	4,18,518	0.22
Central Government/State Government(s)/President of India	1	4,000	0.00
Bodies Corporate	116	6,26,04,324	32.91
Clearing Corporation/Clearing Member/Trust	34	12,66,240	0.67
<b>Total</b>	<b>2832</b>	<b>19,02,38,329</b>	<b>100.00</b>

(xi) **Dematerialization of Shares and Liquidity:** -Since the equity shares of the Company are compulsorily traded in dematerialized mode, the members are advised to hold their shares in dematerialized mode with any Depository Participants (DPs) registered with NSDL and / or CDSL. Requests for dematerialization of shares should be sent directly by the DPs concerned to the RTA, M/s. Niche Technologies Pvt. Ltd., 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017 for further processing. In case of any delay on the part of the DPs to send the Demat Request Forms (DRF) and relevant Share Certificates beyond 15 days from the date of generation of the Demat Request Number (DRN) by the DPs, the said DRF will be rejected / cancelled. This is being done to ensure that no demat requests remain pending with the RTA beyond a period of 21 days from submission of DRF. Members / Investors should, therefore, ensure that their DPs do not delay in sending the DRF and relevant Share Certificates to the RTA immediately after generating the DRN.

As on 31<sup>st</sup> March, 2019 the number of shares in dematerialized form was 18,99,67,270 representing 99.86% of the total shares and the balance 2,71,059 shares representing 0.14 % of the shares were held in physical form and

## Report On Corporate Governance (Contd.)

these shareholders are requested to dematerialize their shares in their own interests to avail the benefits of holding shares in dematerialized mode. All the shares held by promoter are in dematerialized form.

- (xii) **Outstanding GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity as on 31.03.2019 :-** NIL
- (xiii) **Plant location :-** The Company is Non-Banking Finance Company and hence there is no plant.
- (xiv) **Credit Rating :-** N.A.
- (xv) **Address for correspondence:**

**Registered Office:-** U. Y. Fincorp Limited,  
(Formerly known as Golden Goenka Fincorp Limited)  
16, Strand Road, 9<sup>th</sup> Floor  
Room No. 908 B, Kolkata-700001  
Phone No.- 033-4603 2315  
Fax No. – 033-44070020

**Corporate Office:-** U. Y. Fincorp Limited,  
Vaman Techno Centre, A-Wing, 7th Floor, Marol Naka,  
Makwana Road, Andheri (East) Mumbai-400059  
Phone- 022-42300 800

**Email ID :-** [contact@uyfincorp.com](mailto:contact@uyfincorp.com)

**Website :-** [www.uyfincorp.com](http://www.uyfincorp.com)

### XV. DISCLOSURES

- a) **Disclosures on materially significant related party transactions :-** The Company has not entered into any transactions of material nature, with its related parties that may have potential conflict with the interest of the Company at large, other than in the normal course of business. The transaction with related parties as per requirements of Accounting Standards AS-18 are disclosed in Note No. 27 of the Standalone Financial Statements.

Further the Company has formulated a policy on Related Party Transactions and the same is displayed on the Company's website and the web link of the same is:-

**[https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_Policy-on-Related-Party-Transaction.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_Policy-on-Related-Party-Transaction.pdf)**

The Company is regular in complying with the requirement of the regulatory authorities on the matters relating to the capital market and no penalties / strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, for non-compliance of any matter during the last three years.

- b) The Board of Directors of the Company has adopted the Whistle Blower Policy which is in place as required under Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. This policy is established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy, if any. No person has been denied access to the Audit Committee.

The policy is also available on the Company's website and the web link of the same is:-  
**<https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL-WB-Policy.pdf>**

- c) The Company has complied with the mandatory requirements of Corporate Governance stipulated under SEBI Listing Regulations, 2015. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:-

#### **Reporting of Internal Auditor:-**

The Internal Audit Report is placed before the Audit Committee.

- d) The details relating to the commodity price risks and commodity hedging activities are not applicable to the Company.
- e) As on 31<sup>st</sup> March, 2019, the Company has one wholly owned material non-listed Indian subsidiary. The Company has formulated a policy on Material Subsidiary and the same is displayed on the Company's website and the web

## Report On Corporate Governance (Contd.)

link of the same is:-

[https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_Policy-on-Material-Subsidiaries.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_Policy-on-Material-Subsidiaries.pdf)

- f) **Disclosure of Accounting Treatment:-** In the preparation of the financial statements, the Company has followed Accounting Standards notified by Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- g) **Details of utilization of funds raised:-** No funds were raised by the Company through preferential allotment or qualified institutions placement.
- h) **Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors:-** A certificate from M/s Prateek Kohli & Associates, Practising Company Secretary certifying that none of the Directors on the Board of the Company as on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.
- i) **Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:-** During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.
- j) **Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries:-** Total fees paid by the Company and its Subsidiaries on a consolidated basis to the Statutory Auditors viz. M/s. Das & Prasad, Chartered Accountants, Kolkata (ICAI Firm Registration Number: 303054E) and all entities in the network firm/network entity of which the Statutory Auditors is a part are as follows:-

Particulars	Amount (In ₹)
As Auditors	1,34,400
For Taxation Matters	22,700
For Other Services	73,160
<b>Total</b>	<b>2,30,260</b>

- k) **Disclosure in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder :-** In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the financial year 2018-19 along with their status of redressal as on financial year ended March 31, 2019 are as under:
- No. of complaints filed during the financial year 2018-19 :- Nil
  - No. of complaints disposed of during the financial year 2018-19:- Nil
  - No. of complaints pending redressal as on March 31, 2019:- Nil

**XVI.** The Company has complied with the requirements of Corporate Governance Report of sub-para (2) to (10) of Schedule V of SEBI Listing Regulations, 2015.

**XVII.** The Company has complied all the mandatory requirement of Regulation 17 to 27 and clause (b) to (i) of sub-regulation 2 of Regulation 46 of SEBI Listing Regulations, 2015.

### **XVIII. CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

The annexed certificate from M/s. Prateek Kohli & Associates, Company Secretaries regarding compliance of conditions of Corporate Governance for the financial year ended 31<sup>st</sup> March, 2019 forms part of this Report.

### **XIX. EQUITY SHARES IN UNCLAIMED SUSPENSE ACCOUNT**

During the year under review, No shares of the Company were required to be transferred to Unclaimed Suspense Account in terms of SEBI Listing Regulations, 2015.

## Report On Corporate Governance (Contd.)

Information about Directors proposed to be appointed/re-appointed at the Annual General Meeting as stipulated under Regulation 36(3) of the SEBI Listing Regulations, 2015:-

<b>Name of Director</b>	Mr. Udai Kothari	Mrs. Leena Hinesh Jobanputra	Mr. Govind Kumar Goyal
<b>DIN</b>	00284256	06975039	02466348
<b>Date of Birth</b>	24.09.1987	08.12.1973	23.09.1979
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of first appointment on the Board</b>	21.09.2017	12.11.2014	24.07.2015
<b>Qualification</b>	B.B.A from University of Kent	B.Com	FCA
<b>Current Designation</b>	Chairman & Managing Director	Non Executive Independent Director	Non Executive Independent Director
<b>Nature of Expertise</b>	More than 8 years of experience in Manufacturing Industry of Liquor and veterinary, Real Estate Industry, NBFCs, Hotel Industry and Aviation	She has an experience of more than 15 years in the field of Accounts, Sales and Marketing.	A Chartered Accountant with an experience of more than 17 years in finance and financial administration, procurement, marketing & arbitration
<b>Name of Directorship in other Listed Companies</b>	NIL	NIL	NIL
<b>Name of committees of other Listed Companies in which the director is a member/chairperson</b>	NIL	NIL	NIL
<b>No. of shares held in the Company</b>	3,34,83,699	NIL	NIL
<b>Details of Remuneration sought to be paid</b>	Members have already approved Special Resolution for the appointment of Mr. Udai Kothari as an Executive Chairman and Managing Director of the Company for the consecutive period of three years w.e.f. 21st September, 2017 at the 24th Annual General Meeting of the Company held on 20th September, 2017.	Refer Item No. 3 of the Annual General Meeting Notice.	Refer Item No. 4 of the Annual General Meeting Notice.

## Report On Corporate Governance (Contd.)

Terms and Conditions of the appointment	Not Applicable since the Chairman & Managing Director retire by rotation.	Refer Item No. 3 of the Annual General Meeting Notice.	Refer Item No. 4 of the Annual General Meeting Notice.
Last drawn Remuneration	Rs. 48,00,000 for the Financial Year 2018-19.	Mrs. Jobanputra was paid remuneration by way of fee for attending meetings of the Board or Committees thereof or reimbursement of expenses for participating in the Board and other meetings for the financial year 2018-2019.	Mr. Goyal was paid remuneration by way of fee for attending meetings of the Board or Committees thereof or reimbursement of expenses for participating in the Board and other meetings for the financial year 2018-2019.
No. of Board Meeting attended during the financial year 2018-2019	Four	Six	Three
Relationships with other Directors and Key Managerial Personnel of the Company	Son of Mr. Deepak Kothari	NIL	NIL

The above Report was placed before and approved by the Board of Directors at their Meeting held on 14<sup>th</sup> August, 2019.

Place: Kolkata  
Date: 14<sup>th</sup> August 2019

By Order of the Board  
Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN:- 00284256)



Growth, Wealth, Success

## Report On Corporate Governance (Contd.)

### CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**U. Y. FINCORP LIMITED**  
(Formerly known as Golden Goenka Fincorp Limited)  
16 Strand Road,  
9th Floor, Room No. 908B,  
Kolkata-700001

We have examined the compliance of conditions of Corporate Governance by **U. Y. FINCORP LIMITED** ('the Company') for the year ended **31st March 2019**, as stipulated in Regulation 17 to 27, 46(2) (b) to (i), Schedule II and V (paragraphs C, D and E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certifications.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

Place: Kolkata  
Date: 14<sup>th</sup> August, 2019

*For Prateek Kohli & Associates*  
*(Company Secretaries)*  
Sd/-  
**Prateek Kohli**  
*(Partner)*  
(C.P. No.: 16457)

## Report On Corporate Governance (Contd.)

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**U. Y. FINCORP LIMITED**  
(Formerly known as Golden Goenka Fincorp Limited)  
16 Strand Road,  
9th Floor, Room No. 908B,  
Kolkata-700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **U. Y. Fincorp Limited** (CIN L65993WB1993PLC060377) and having registered office at 16, Strand Road 9th Floor. Room No.- 908B, Kolkata - 700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Deepak Kothari	00280323	21/09/2017
2.	Udai Kothari	00284256	21/09/2017
3.	Dinesh Burman	00612904	30/07/2010
4.	Govind Kumar Goyal	02466348	24/07/2015
5.	Leena Hinesh Jobanputra	06975039	12/11/2014
6.	Jignesh Dalal	08065507	15/02/2018
7.	Nishant Sharadrao Nanda	08196581	10/08/2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 14th August, 2019

For Prateek Kohli & Associates  
(Company Secretaries)  
Sd/-  
Prateek Kohli  
(Partner)  
(C.P. No.: 16457)

## Annexure-3 to the Directors' Report Extract of Annual Return

### **FORM NO. MGT - 9** **EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2019**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)**  
**of the Companies (Management and Administration) Rules, 2014]**

#### **I REGISTRATION & OTHER DETAILS :**

<b>i CIN</b>	:	L65993WB1993PLC060377
<b>ii Registration Date</b>	:	07.10.1993
<b>iii Name of the Company</b>	:	U. Y. Fincorp Limited (Formerly known as Golden Goenka Fincorp Limited)
<b>iv Category/Sub-category of the Company</b>	:	Public Limited Company
<b>v Address of the Registered office &amp; contact details</b>	:	16 Strand Road, 9th Floor, Room No. 908B, Kolkata-700 001 Telephone No. :- 033-4603 2315 Fax No. :- 033-4407 0020
<b>vi Whether listed company</b>	:	Yes, Listed on The BSE Limited & The Calcutta Stock Exchange Limited
<b>vii Name, Address &amp; contact details of the Registrar &amp; Share Transfer Agent, if any.</b>	:	Niche Technologies Pvt. Ltd., 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata- 700 017. Telephone No.:- 033-2280 6616/17/18

#### **II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:- Non-Banking Finance Company (NBFC) which is principally engaged in lending and investing activities.**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name & Description of main products / services	NIC Code to the Product / Service	% to total turnover of the company
1	Non-Banking Financial Services (Lending & Investing Services)	649	100%

#### **III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :-**

Sl. No.	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associates	% of Shares held	Applicable Section
1	Aristo Capital Markets Limited 24, Park Street, Park Centre, Magma House, 10th Floor, Kolkata- 700 016, West Bengal	U65999WB2009PLC135995	SUBSIDIARY	100%	2(87)
2	Purple Advertising Services Private Limited 45, Shakespeare Sarani, Century Tower 2nd Floor, Kolkata- 700 017, West Bengal	U74300WB2008PTC127335	ASSOCIATE	33.33%	2(6)



## Extract of Annual Return (Contd.)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>										
(1) Indian										
a) Individual / HUF		66952198	0	66952198	35.194	66952198	0	66952198	35.194	0.000
b) Central Government		0	0	0	0.000	0	0	0	0.000	0.000
c) State Government		0	0	0	0.000	0	0	0	0.000	0.000
d) Bodies Corporate		39661056	0	39661056	20.848	48046208	0	48046208	25.256	4.408
e) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
f) Any Other		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (A)(1)</b>		<b>106613254</b>	<b>0</b>	<b>106613254</b>	<b>56.042</b>	<b>114998406</b>	<b>0</b>	<b>114998406</b>	<b>60.450</b>	<b>4.408</b>
(2) Foreign										
a) NRIs - Individuals		0	0	0	0.000	0	0	0	0.000	0.000
b) Other - Individuals		0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corporate		0	0	0	0.000	0	0	0	0.000	0.000
d) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
e) Any Other		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (A)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>		<b>106613254</b>	<b>0</b>	<b>106613254</b>	<b>56.042</b>	<b>114998406</b>	<b>0</b>	<b>114998406</b>	<b>60.450</b>	<b>4.408</b>
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds		0	0	0	0.000	0	0	0	0.000	0.000
b) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
c) Central Governments		0	0	0	0.000	4000	0	4000	0.002	0.002
d) State Governments		0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Funds		0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies		0	0	0	0.000	0	0	0	0.000	0.000
g) Foreign Institutional Investors (FIIs)		0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds		0	0	0	0.000	0	0	0	0.000	0.000
i) Others (Specify)		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (B)(1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>4000</b>	<b>0</b>	<b>4000</b>	<b>0.002</b>	<b>0.002</b>
(2) Non-Institutions										
a) Bodies Corporate										
i) Indian		72551785	27400	72579185	38.152	62576924	27400	62604324	32.908	-5.243
ii) Overseas		0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹1 lakh		3394366	245059	3639425	1.913	3708637	242659	3951296	2.077	0.164
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh		6362337	0	6362337	3.344	6995545	0	6995545	3.677	0.333
c) Others (Specify)										
1. NRI		222713	1000	223713	0.118	417518	1000	418518	0.220	0.102
2. Overseas Corporate Bodies		0	0	0	0.000	0	0	0	0.000	0.000
3. Foreign Nationals		0	0	0	0.000	0	0	0	0.000	0.000
4. Clearing Members		820415	0	820415	0.431	1266240	0	1266240	0.666	0.234
5. Trusts		0	0	0	0.000	0	0	0	0.000	0.000
6. Foreign Bodies - D.R.		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (B)(2)</b>		<b>83351616</b>	<b>273459</b>	<b>83625075</b>	<b>43.958</b>	<b>74964864</b>	<b>271059</b>	<b>75235923</b>	<b>39.548</b>	<b>-4.410</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>		<b>83351616</b>	<b>273459</b>	<b>83625075</b>	<b>43.958</b>	<b>74968864</b>	<b>271059</b>	<b>75239923</b>	<b>39.550</b>	<b>-4.408</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>GRAND TOTAL (A+B+C)</b>		<b>189964870</b>	<b>273459</b>	<b>190238329</b>	<b>100.000</b>	<b>189967270</b>	<b>271059</b>	<b>190238329</b>	<b>100.000</b>	<b>0.000</b>

## Extract of Annual Return (Contd.)

### ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
<b>A.</b>	<b>PROMOTERS</b>							
1	Deepak Kothari (HUF)	28000	0.015	0.000	28000	0.015	0.000	0.000
2	Deepak Kothari	33440499	17.578	0.000	33440499	17.578	0.000	0.000
3	Udai Kothari	33483699	17.601	0.000	33483699	17.601	0.000	0.000
4	Lotus Capital Financial Services Limited	28661056	15.066	0.000	37046208	19.474	0.000	4.408
5	U Y Industries Private Ltd	11000000	5.782	0.000	11000000	5.782	0.000	0.000
	<b>TOTAL</b>	<b>106613254</b>	<b>56.042</b>	<b>0.000</b>	<b>114998406</b>	<b>60.450</b>	<b>0.000</b>	<b>4.408</b>

### iii) Change in Promoter's Shareholding

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>MR. UDAI KOTHARI</b>				
	a) At the beginning of the Year	33483699	17.601		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	<b>c) At the End of the Year</b>			<b>33483699</b>	<b>17.601</b>
<b>2</b>	<b>MR. DEEPAK KOTHARI</b>				
	a) At the beginning of the Year	33440499	17.578		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	<b>c) At the End of the Year</b>			<b>33440499</b>	<b>17.578</b>
<b>3</b>	<b>DEEPAK KOTHARI (HUF)</b>				
	a) At the beginning of the Year	28000	0.015		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	<b>c) At the End of the Year</b>			<b>28000</b>	<b>0.015</b>
<b>4</b>	<b>LOTUS CAPITAL FINANCIAL SERVICES LIMITED</b>				
	a) At the Beginning of the Year	28661056	15.066		
	b) Changes during the year				
	Date Reason				
	14/09/2018 Transfer	3006843	1.581	31667899	16.646
	05/10/2018 Transfer	2300000	1.209	33967899	17.855
	12/10/2018 Transfer	3078309	1.618	37046208	19.474
	<b>c) At the End of the Year</b>			<b>37046208</b>	<b>19.474</b>
<b>5</b>	<b>U Y INDUSTRIES PRIVATE LTD</b>				
	a) At the Beginning of the Year	11000000	5.782		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	<b>c) At the End of the Year</b>			<b>11000000</b>	<b>5.782</b>

## Extract of Annual Return (Contd.)

### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs)

Sl No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>ONWARD SUPPLIERS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/08/2018 Transfer	3000000	1.577	3000000	1.577
	17/08/2018 Transfer	3000000	1.577	6000000	3.154
	14/09/2018 Transfer	3500000	1.840	9500000	4.994
	c) At the End of the Year			9500000	4.994
<b>2</b>	<b>MOONRISE VINCOM PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	7500000	3.942		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			7500000	3.942
<b>3</b>	<b>SANGAM MERCHANTS PVT.LTD.</b>				
	a) At the Beginning of the Year	6712156	3.528		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6712156	3.528
<b>4</b>	<b>ALLTIME DEALER PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	03/08/2018 Transfer	3342016	1.757	3342016	1.757
	24/08/2018 Transfer	3000000	1.577	6342016	3.334
	31/08/2018 Transfer	3056000	1.606	9398016	4.940
	29/09/2018 Transfer	-3342016	-1.757	6056000	3.183
	c) At the End of the Year			6056000	3.183
<b>5</b>	<b>LADOO GARMENTS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	29/09/2018 Transfer	3342016	1.757	3342016	1.757
	c) At the End of the Year			3342016	1.757

## Extract of Annual Return (Contd.)

Sl No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the compan	No. of shares	% of total shares of the compan
6	<b>PMB HOLDINGS PVT LTD</b>				
	a) At the Beginning of the Year	2986636	1.570		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2986636	1.570
7	<b>MAINLAND FINANCE PVT. LTD</b>				
	a) At the Beginning of the Year	1666304	0.876		
	b) Changes during the year				
	Date Reason				
	04/05/2018 Transfer	500000	0.263	2166304	1.139
	20/07/2018 Transfer	445000	0.234	2611304	1.373
	17/08/2018 Transfer	70000	0.037	2681304	1.409
	14/09/2018 Transfer	100000	0.053	2781304	1.462
	23/11/2018 Transfer	85996	0.045	2867300	1.507
	08/03/2019 Transfer	25000	0.013	2892300	1.520
	c) At the End of the Year			2892300	1.520
8	<b>P K GANGWAL AND SONS PVT LTD</b>				
	a) At the Beginning of the Year	1744795	0.917		
	b) Changes during the year				
	Date Reason				
	01/06/2018 Transfer	-1	0.000	1744794	0.917
	c) At the End of the Year			1744794	0.917
9	<b>MAYBORN INVESTMENTS PRIVATE LTD</b>				
	a) At the Beginning of the Year	1600000	0.841		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1600000	0.841
10	<b>HAMSAFAR VINCOM PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	1229261	0.646		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1229261	0.646

## Extract of Annual Return (Contd.)

Sl No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the compan	No. of shares	% of total shares of the compan
<b>11</b>	<b>RATNANANDAN COMMERCIALS PVT LTD.</b>				
	<b>a) At the Beginning of the Year</b>	<b>4895600</b>	<b>2.573</b>		
	b) Changes during the year				
	Date Reason				
	18/05/2018 Transfer	-200000	-0.105	4695600	2.468
	25/05/2018 Transfer	-70000	-0.037	4625600	2.431
	01/06/2018 Transfer	-390000	-0.205	4235600	2.226
	08/06/2018 Transfer	-120000	-0.063	4115600	2.163
	15/06/2018 Transfer	-300000	-0.158	3815600	2.006
	30/06/2018 Transfer	-3815600	-2.006	0	0.000
	31/03/2019 Transfer	4100	0.002	4100	0.002
	<b>c) At the End of the Year</b>			<b>4100</b>	<b>0.002</b>
<b>12</b>	<b>STRONG DEALTRADE PRIVATE LIMITED</b>				
	<b>a) At the Beginning of the Year</b>	<b>16100000</b>	<b>8.463</b>		
	b) Changes during the year				
	Date Reason				
	11/05/2018 Transfer	-125000	-0.066	15975000	8.397
	18/05/2018 Transfer	-25000	-0.013	15950000	8.384
	22/06/2018 Transfer	-35000	-0.018	15915000	8.366
	30/06/2018 Transfer	-44000	-0.023	15871000	8.343
	06/07/2018 Transfer	-40000	-0.021	15831000	8.322
	13/07/2018 Transfer	-15000	-0.008	15816000	8.314
	20/07/2018 Transfer	-25000	-0.013	15791000	8.301
	27/07/2018 Transfer	-50000	-0.026	15741000	8.274
	03/08/2018 Transfer	-75000	-0.039	15666000	8.235
	10/08/2018 Transfer	-3025000	-1.590	12641000	6.645
	17/08/2018 Transfer	-3040000	-1.598	9601000	5.047
	24/08/2018 Transfer	-3045000	-1.601	6556000	3.446
	31/08/2018 Transfer	-3056000	-1.606	3500000	1.840
	14/09/2018 Transfer	-3500000	-1.840	0	0.000
	<b>c) At the End of the Year</b>			<b>0</b>	<b>0.000</b>

## Extract of Annual Return (Contd.)

SI No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the compan	No. of shares	% of total shares of the compan
<b>13</b>	<b>ANCHOR VINIMAY PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	<b>3342016</b>	<b>1.757</b>		
	b) Changes during the year				
	Date Reason				
	03/08/2018 Transfer	-3342016	-1.757	0	0.000
	c) At the End of the Year			<b>0</b>	<b>0.000</b>
<b>14</b>	<b>J.N.B. SIDHU FINANCE PVT LTD</b>				
	a) At the Beginning of the Year	<b>3145843</b>	<b>1.654</b>		
	b) Changes during the year				
	Date Reason				
	22/06/2018 Transfer	-35000	-0.018	3110843	1.635
	30/06/2018 Transfer	-27000	-0.014	3083843	1.621
	06/07/2018 Transfer	-15000	-0.008	3068843	1.613
	13/07/2018 Transfer	-25000	-0.013	3043843	1.600
	27/07/2018 Transfer	-25000	-0.013	3018843	1.587
	14/09/2018 Transfer	-3018843	-1.587	0	0.000
	c) At the End of the Year			<b>0</b>	<b>0.000</b>
<b>15</b>	<b>WRINKLE MARKETING PVT LTD .</b>				
	a) At the Beginning of the Year	<b>2300000</b>	<b>1.209</b>		
	b) Changes during the year				
	Date Reason				
	05/10/2018 Transfer	-2300000	-1.209	0	0.000
	c) At the End of the Year			<b>0</b>	<b>0.000</b>



## Extract of Annual Return (Contd.)

### v) Shareholding of Directors & Key Managerial Personnel

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the compan	No. of shares	% of total shares of the compan
1	<b>MR. UDAI KOTHARI</b>				
	a) At the beginning of the Year	33483699	17.601		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			33483699	17.601
2	<b>MR. DEEPAK KOTHARI</b>				
	a) At the beginning of the Year	33440499	17.578		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			33440499	17.578
3	<b>MR. DINESH BURMAN</b>				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
4	<b>MR. GOVIND KUMAR GOYAL</b>				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
5	<b>MRS. LEENA HINESH JOBANPUTRA</b>				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
6	<b>MR. JIGNESH DALAL</b>				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
7	<b>MR. NIRANJAN KUMAR CHORARIA</b> (Resigned w.e.f. 11.08.2018)				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
8	<b>MR. NISHANT SHARADRAO NANDA</b> (Appointed w.e.f. 10.08.2018)				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
9	<b>MRS. AMRITA MOHTA KOTHARI</b>				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
10	<b>MR. ALOK BANERJEE</b> (Appointed w.e.f. 01.11.2018)				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
11	<b>MR. AYUSH AGRAWAL</b> (Resigned w.e.f. 11.09.2018)				
	a) At the beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000

## Extract of Annual Return (Contd.)

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in ₹)

Particulars	Secured Loan excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the Financial Year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time director and/or Manager:

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Udai Kothari, Managing Director	Deepak Kothari, Whole-time Director	Dinesh Burman, Whole-time Director	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	48,00,000	24,00,000	3,06,000	75,06,000
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>48,00,000</b>	<b>24,00,000</b>	<b>3,06,000</b>	<b>75,06,000</b>
	<b>Overall Ceiling as per the Act</b>	<b>Remuneration is within limits of the Provisions of Section 197 of the Companies Act, 2013 read with Schedule V.</b>			

#### B. Remuneration to other Directors:

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of the Directors					Total Amount
		Niranjan Kumar Choraria	Leena Hinesh Jobanputra	Jignesh Dalal	Govind Kumar Go al	Nishant Sharadrao Nanda	
<b>1. Independent Directors</b>							
(a)	Fee for attending Board/Committee meetings	16,000	41,000	40,000	22,000	15,000	1,34,000
(b)	Commission	-	-	-	-	-	-
(c)	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>16,000</b>	<b>41,000</b>	<b>40,000</b>	<b>22,000</b>	<b>15,000</b>	<b>1,34,000</b>
<b>2. Other Non Executive Directors</b>							
(a)	Fee for attending Board/Committee meetings	-	-	-	-	-	-
(b)	Commission	-	-	-	-	-	-
(c)	Others, please specify.	-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>16,000</b>	<b>41,000</b>	<b>40,000</b>	<b>22,000</b>	<b>15,000</b>	<b>1,34,000</b>
	<b>Total Managerial Remuneration (A+B)</b>						<b>76,40,000</b>

## Extract of Annual Return (Contd.)

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(Amount in ₹)

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CFO	CFO	CS	
		Mr. A. Ush Agarwal	Mr. Alok Banerjee	Mrs. Amrita Mohta Kothari	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	6,11,291	5,00,000	8,25,500	19,36,791
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>6,11,291</b>	<b>5,00,000</b>	<b>8,25,500</b>	<b>19,36,791</b>

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

(Amount in ₹)

Type	Section of the Companies Act	Brief Description	Details of Penalt /Punishment/ Compounding fees imposed	Authorit (RD/NCLT/ Court	Appeal made if an (give details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

Registered Office:  
16 Strand Road  
9th Floor, Room No. 908B  
Kolkata-700001  
Dated: 14th August, 2019

By Order of the Board  
Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN:- 00284256)

## Annexure-4 to the Directors' Report

### Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

#### FORM AOC-1

{Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014}

**Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures**

##### Part "A": Subsidiaries:-

1	Name of the Subsidiary Company	Aristro Capital Markets Limited
2	The date since when subsidiary was acquired	25 <sup>th</sup> Ma , 2013
3	Reporting period for the subsidiary	31 <sup>st</sup> March, 2019
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	₹
5	Share Capital	90,00,000
6	Reserves & Surplus	15,16,19,769
7	Total Assets	19,83,59,625
8	Total Liabilities	19,83,59,625
9	Investments	2,32,66,548
10	Turnover	19,67,87,897
11	Profit before Taxation	40,95,558
12	Provision for Taxation	3,62,193
13	Profit after Taxation	37,33,365
14	Proposed Dividend	NIL
15	% of share holding	100%

##### Notes:

- Names of Subsidiaries which are yet to commence operations :- N.A.
- Names of Subsidiaries which have been liquidated or sold during the year : -
  - Golden Goenka Financial Advisors Limited\*
  - Golden Goenka Management Consultancy Services Limited\*
  - Golden Goenka Properties & Construction Private Limited\*
  - Goodpoint Conclave Limited\*
  - Linkwise Promoters Private Limited\*

\*Ceases to be the subsidiaries of our Company w.e.f. 29th September, 2018.

## Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures (Contd.)

### Part "B": Associates and Joint Ventures:-

1	Name of the Associate Company	Purple Advertising Services Private Limited
2	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2019
3	Date on which the Associate/Joint Ventures was associated or acquired	7 <sup>th</sup> December, 2012
4	Shares of Associate/Joint Ventures held by the Company on the year end: <ul style="list-style-type: none"> <li>No. of shares (equity)</li> <li>Amount of investment in Associates/Joint Venture</li> <li>Extend of Holding %</li> </ul>	25,00,000 Equity Shares ₹ 9,00,00,000 33.33%
5	Description of how there is significant influence	Associate
6	Reason why the Associate is not consolidated	Financials could not be completed and hence same has not been considered for consolidation purpose.
7	Net worth attributable to shareholding as per latest audited Balance Sheet	
8	Profit/Loss for the year : Considered in Consolidation Not considered in Consolidation	

### Notes:

- Names of Associates or Joint Ventures which are yet to commence operations : N.A.
- Names of Associates or Joint Ventures which have been liquidated or sold during the year : N.A.

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Place: Kolkata  
Date: 29th May, 2019

For and on behalf of the Board of Directors

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)



Growth, Wealth, Success

## Annexure - 5 to the Directors' Report Secretarial Audit Report

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> DAY OF MARCH, 2019**

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

To,  
**The Members,**  
**U. Y. Fincorp Limited**  
**(Formerly known as Golden Goenka Fincorp Limited)**  
**16 Strand Road,**  
**9<sup>th</sup> Floor, Room No. 908B**  
**Kolkata 700001**

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by U. Y. Fincorp Limited (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing our opinion thereon.

Based on our verification of the U. Y. Fincorp Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31<sup>st</sup> March, 2019** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations. The List of major head/groups of Acts, Laws and Regulations as applicable to the Company inter-alia includes:

- The Reserve Bank of India Act, 1934 and the regulations made there under.

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

- i. The uniform Listing Agreements entered into by the Company, with **The BSE Limited & The Calcutta Stock Exchange Limited**.
- ii. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- iii. The Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

## Secretarial Audit Report (Contd.)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.

**We further report that** during the period under review **Mr. Niranjana Kumar Choraria** resigned w.e.f. 10<sup>th</sup> August, 2018 from the post of Directorship of the Company and **Mr. Nishant Sharadrao Nanda** was appointed as the Additional Independent Director of the Company w.e.f. 10<sup>th</sup> August, 2018 and he was regularised at the 25<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2018 as an Independent Director for the period of 5 years w.e.f. 10<sup>th</sup> August, 2018.

Further Mr. Alok Banerjee was appointed as the Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> November, 2018 in view of the resignation of Mr. Ayush Agrawal w.e.f. 11<sup>th</sup> September, 2018.

Adequate Notice is given to all Directors to schedule the Board/Committee Meetings. Information and circulation of the agenda with detailed information thereof, convening of meetings was done in compliance with the applicable laws, rules, regulations and guidelines, etc. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Resolutions were carried through majority decision. The minutes of the meetings held during the audit period did not reveal any dissenting members' views.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, regulations and guidelines.

**We further report that** during the period under review we have come across the following events having major bearing on the affairs of the company:

- 1) The name of the Company had changed from **Golden Goenka Fincorp Limited** to **U.Y. Fincorp Limited** after necessary approval, consents, sanctions and permission of Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), the Shareholders, Stock Exchanges and other appropriate regulatory and statutory authorities, to the extent applicable.

Place: Kolkata  
Date: 14th August, 2019

For Prateek Kohli & Associates  
(Company Secretaries)  
Sd/-  
Prateek Kohli  
(Partner)  
(C.P. No.: 16457)



Growth, Wealth, Success

## Secretarial Audit Report (Contd.)

{Our report is also to be read with our letter annexed in “Annexure A”.}

### ‘Annexure A’

To,  
The Members  
U. Y. Fincorp Limited

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

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

Place: Kolkata  
Date: 14th August, 2019

For Prateek Kohli & Associates  
(Company Secretaries)  
Sd/-  
Prateek Kohli  
(Partner)  
(C.P. No.: 16457)

## Annexure-6 to the Directors' Report Particulars of Employees

**PARTICULARS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2018-2019 :-**

Sl. No.	Name of the Director	Ratio
1	Udai Kothari (Managing Director)	10.71 : 1
2	Deepak Kothari (Whole-time Director)	5.35 : 1
3	Dinesh Burman ( Whole-time Director)	0.68 : 1

Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

- (ii) **The percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary or manager in the Financial Year 2018-2019: -**

Sl. No.	Name	% Increase
1	Udai Kothari (Managing Director)	NIL
2	Deepak Kothari (Whole-time Director)	NIL
3	Dinesh Burman (Whole-time Director)	NIL
4	Ayush Agrawal (Chief Financial Officer upto 10.09.2018)	10%
5	Amrita Mohta Kothari (Company Secretary)	10%
6	Alok Banerjee (Chief Financial Officer w.e.f 01.11.2018)	N.A.

Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

- (iii) **The percentage increase in the median remuneration of employees in the Financial Year 2018-2019 :- 42.57%**

- (iv) **The number of permanent employees on the rolls of the Company: -**

There were 7 employees on the rolls as on March 31, 2019.

- (v) **Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-**

There was no increase in Remuneration paid to Managing Director & Whole-time Director during the financial year ended 31<sup>st</sup> March, 2019.

- (vi) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:- Yes**

Place: Kolkata  
Date: 14th August 2019

For U. Y. Fincorp Limited  
Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN:- 00284256)

## Annexure-7 to the Directors' Report Annual Report on Corporate Social Responsibility (CSR) Activities

### Annual Report on Corporate Social Responsibility (CSR) Activities

**1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a "Corporate Social Responsibility (CSR) Committee."

On the recommendation of the said committee, the Board has approved a Corporate Social Responsibility ('CSR') policy which contains the CSR activities being carried out by the Company, governance structure, implementation process, etc.

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

- Eradicating hunger, poverty and malnutrition.
- Promoting Health care including Preventive Health care.
- Ensuring environmental sustainability and ecological balance.
- Employment and livelihood enhancing vocational skills and projects.
- Promotion of education.
- Promoting gender equality and women empowerment.
- Rural Development Projects etc.

The CSR Policy of the Company has been uploaded on the Company's website and the web link of the same is:- [https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL\\_CSR-Policy.pdf](https://www.uyfincorp.com/wp-content/uploads/2019/08/UYFL_CSR-Policy.pdf)

**2. Composition of the CSR Committee:**

The composition of Committee as on date are:-

- > Mr. Udai Kothari - Chairman
- > Mr. Dinesh Burman - Member
- > Mr. Jignesh Dalal - Member

**3. Average net profit of the Company for last three financial years : ₹ 1,546.58 Lakhs**

**4. Prescribed CSR Expenditure(two percent of the amount as in item 3 above) : ₹ 30.93 Lakhs**

**5. Details of CSR Spent during the Financial Year:**

- i. Total amount to be spent for the financial year : ₹ 30.93 Lakhs
- ii. Amount Spent : ₹ 31.00 Lakhs
- iii. Amount unspent, if any : NIL

## Annual Report on Corporate Social Responsibility (CSR) Activities(Contd.)

### iv. Manner in which amount spent during the financial year is detailed below:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SL NO.	CSR project or activit identified	Sector in which the Project is Covered	Projects or Programms (1)Local Area or other (2) Specif the State and District where projects or programms was undertaken	Amount outla (budget) project or programms wise.	Amount spent on the projects or programms Sub-heads : (1)Direct expenditure on projects or programms. (2)Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agenc
1.	Promotion of education (Clause ii of Schedule VII of Companies Act, 2013)	Providing the Education through All India Social Education Charitable Trust	Ahmedabad, Gujarat	₹ 31.00 Lakhs	₹ 31.00 Lakhs	₹ 31.00 Lakhs	Direct

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata  
Date: 14th August 2019

For U. Y. Fincorp Limited  
Sd/-  
Udai Kothari  
(Chairman & Managing Director)  
(DIN:- 00284256)

# **Standalone Financials**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF U.Y.FINCORP LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of U.Y.FINCORP LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 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 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 standalone financial statements.

#### 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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters that need to be reported in audit report.

#### 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, 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.

#### Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statement

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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

In preparing the standalone financial statements, Board of Directors 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 Responsibilities for the Audit of the Standalone 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations that needs to be disclosed in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's 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.

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

Sd/-  
**Anil Kumar Agarwal**  
(Partner )  
(Membership No.062368)

Place: Kolkata

Date: May 29, 2019

## Annexure - A to the Auditors' Report

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

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

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

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

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

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

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

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

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

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

## Annexure - A to the Auditors' Report (Contd.)

### Opinion

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

For **Das & Prasad**

Chartered Accountants  
(Firm's Registration No. 303054E)

Sd/-

**Anil Kumar Agarwal**

(Partner)

(Membership No.062368)

Place: Kolkata

Date: May 29, 2019

## Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on the such verification;
- (c) As per information and explanation given to us by the management, and the records verified by us and based on the examination of the registered title deed provided to us, we report that all the immovable properties are held in the name of the Company as at the balance sheet date.
- (ii) In our opinion the stock for trade were physically verified during the year by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on physical verification.
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - (a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and /or receipts of interest have been regular as per stipulations.
  - (c) There are no overdue amounts in respect of the loan granted to the aforesaid listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made and guarantees given.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company.
- (vi) Being a Non-Banking Financial Company, the provisions of paragraph 3(vi) of the Order is not applicable to the Company
- (vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Cess or other material statutory dues have been generally regularly deposited during the year by the Company with appropriate authorities. According to the information and explanation given to us no undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Value Added Tax, GST, Cess or other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they become payable.
- b) According to the information and explanation given to us, there were no disputed dues which have not been deposited by the company on account of dispute as at March 31, 2019:
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to information and explanation given to us, the Company has paid or provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable.
- (xiii) In our opinion and on the basis of information and explanation given to us by the management, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable to the Company;
- (xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company has obtained the necessary registration.

Place: Kolkata  
Date: May 29, 2019

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)  
Sd/-  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No.062368)



Growth, Wealth, Success

## Balance Sheet as at 31st March, 2019

(Amount in ₹)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	95,11,91,645	95,11,91,645
Reserves and Surplus	3	1,56,46,69,373	1,49,47,36,885
		<b>2,51,58,61,018</b>	<b>2,44,59,28,530</b>
<b>Non-Current Liabilities</b>			
Long-Term Provisions	4	5,20,89,672	3,05,90,888
		<b>5,20,89,672</b>	<b>3,05,90,888</b>
<b>Current Liabilities</b>			
Other Current Liabilities			
- Current Maturities of Long-Term Borrowings		-	-
- Others	5	16,27,035	15,12,440
		<b>16,27,035</b>	<b>15,12,440</b>
<b>TOTAL</b>		<b>2,56,95,77,725</b>	<b>2,47,80,31,858</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment			
- Tangible Assets	6	1,01,30,782	1,18,83,336
		<b>1,01,30,782</b>	<b>1,18,83,336</b>
Deferred Tax Assets (Net)	7	89,05,639	49,23,922
Non-Current Investments	8	35,87,86,000	34,31,86,000
Long-Term Loans and Advances			
- Loan Assets	9	-	-
- Other Long-Term Advances	10	3,56,637	3,76,946
		<b>36,80,48,276</b>	<b>34,84,86,868</b>
<b>Current Assets</b>			
Stock for Trade	11	84,091	13,38,662
Trade Receivable	12	-	1,36,493
Cash and Bank Balances	13	2,15,16,968	3,18,40,958
Short-Term Loans and Advances			
- Loan Assets	9	2,02,23,91,729	1,93,76,58,220
- Other Short-Term Advances	14	12,19,81,667	12,62,80,331
Other Current Assets			
- Current Maturities of Long-Term Loan Assets	9	2,15,541	2,15,541
- Other Current Assets	15	2,52,08,671	2,01,91,449
		<b>2,19,13,98,667</b>	<b>2,11,76,61,654</b>
<b>TOTAL</b>		<b>2,56,95,77,725</b>	<b>2,47,80,31,858</b>

Significant Accounting Policies and Notes to Financial Statements  
The Notes referred to above form an integral part of the Balance Sheet  
This is the Balance Sheet referred to in our report of even date

1 to 34

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

For and on behalf of the Board of Directors

Sd/-  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Sd/-  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

Sd/-  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

Place: Kolkata  
Date: 29th May, 2019

Sd/-  
**CA Alok Banerjee**  
(Chief Financial Officer)

Sd/-  
**Amrita Mohta Kothari**  
(Company Secretary)

## Statement of Profit and Loss for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Note	Year ended 31st March 2019	Year ended 31st March 2018
<b>INCOME</b>			
Revenue From Operations	16	20,00,97,346	23,57,98,917
Other Income	17	82,082	2,38,030
<b>Total</b>		<b>20,01,79,428</b>	<b>23,60,36,947</b>
<b>EXPENSES</b>			
Purchases of Shares, Mutual Funds & Commodities		-	4,48,750
Changes in Stock for Trade		12,54,573	2,77,94,602
Employee Benefits Expense	18	1,15,83,106	83,51,304
Finance Cost		-	-
Depreciation/Amortisation and Impairment	6	18,38,354	14,56,372
Other Expenses	19	3,83,12,620	2,08,93,172
<b>Total</b>		<b>5,29,88,653</b>	<b>5,89,44,200</b>
<b>Profit Before Provisions, Exceptional Items &amp; Tax</b>		<b>14,71,90,775</b>	<b>17,70,92,747</b>
Contingent Provisions against Standard Assets	4(a)	2,083	(14,61,859)
Provision for Non-Performing Assets	4(a)	2,17,56,277	1,38,33,894
<b>Profit before Exceptional Items &amp; Tax</b>		<b>12,54,32,415</b>	<b>16,47,20,712</b>
<b>Exceptional Items</b>		-	-
<b>Profit before Tax</b>		<b>12,54,32,415</b>	<b>16,47,20,712</b>
Tax Expense:			
- Current Tax		4,80,43,037	5,03,44,650
- Deferred Tax		(39,81,717)	(7,78,447)
<b>Total Tax for current year</b>		<b>4,40,61,320</b>	<b>4,95,66,203</b>
Income Tax in respect of earlier year		(3,670)	-
<b>Profit After Tax</b>		<b>8,13,74,765</b>	<b>11,51,54,509</b>
<b>Earnings per Equity Share (Par Value ₹ 5/- per Equity Share)</b>	25		
Basic (₹)		0.43	0.61
Diluted (₹)		0.43	0.61

Significant Accounting Policies and Notes to Financial Statements 1 to 34

The Notes referred to above form an integral part of the Statement of Profit &amp; Loss

This is the Statement of Profit &amp; Loss referred to in our report of even date

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

For and on behalf of the Board of Directors

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

Place: Kolkata  
Date: 29th May, 2019

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)



Growth, Wealth, Success

## Cash Flow Statement for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax</b>	12,54,32,415	16,47,20,712
Adjustment for:		
Depreciation/Amortisation and Impairment	18,38,354	14,56,372
Contingent Provisions against Standard Assets	2,083	(14,61,859)
Provision for Non-Performing Assets	2,17,56,277	1,38,33,894
Provision for Diminution in Value of Investments	1,75,00,000	-
Interest Income from Security Deposit/Bonds	(7,555)	-
<b>Operating Profit before Working Capital Changes</b>	<b>16,65,21,574</b>	<b>17,85,49,119</b>
Adjustments for:		
Increase / (Decrease) in Liabilities and Provisions	(3,00,317)	13,32,212
Decrease / (Increase) in Trade Receivables	1,36,493	12,96,202
Decrease / (Increase) in Stock for Trade	12,54,571	2,77,94,602
Decrease / (Increase) in Loans and Advances/Other Assets	(8,15,10,212)	(23,83,84,326)
<b>Cash Generated from/(used in) Operations</b>	<b>8,61,02,109</b>	<b>(2,94,12,191)</b>
Direct Taxes Paid	(5,19,60,913)	(5,95,08,825)
<b>Net Cash (Used in)/Generated from Operating Activities</b> <b>a</b>	<b>3,41,41,196</b>	<b>(8,89,21,016)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(85,800)	(38,54,842)
Proceeds from Sale of Fixed Assets	-	1,50,830
Profit/(Loss) from sale of Investments	-	-
(Increase) / Decrease in Investments	(3,31,00,000)	2,25,14,300
(Increase) / Decrease in Fixed Deposit	-	-
Interest Income from Security Deposit/Bonds	7,555	-
<b>Net Cash (Used)/ Generated in Investing Activities</b> <b>b</b>	<b>(3,31,78,245)</b>	<b>1,88,10,288</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Vehicle Loan	-	-
Interim Dividend Paid	(1,12,86,941)	-
<b>Net Cash (Used)/ Generated in Financing Activities</b> <b>c</b>	<b>(1,12,86,941)</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> <b>a+b+c</b>	<b>(1,03,23,990)</b>	<b>(7,01,10,728)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>3,18,40,958</b>	<b>10,19,51,686</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,15,16,968</b>	<b>3,18,40,958</b>

### Explanations:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 (AS 3) 'Cash Flow Statements' notified by the Central Government under Companies (Accounting Standards) Rules 2006.
- Previous year's figures have been regrouped/ reclassified wherever necessary to conform to the current year's classification.

This is the Cash Flow Statement referred to in our report of even date

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Place: Kolkata  
Date: 29th May, 2019

For and on behalf of the Board of Directors

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)

# Significant Accounting Policies and Notes to Financial Statements

## 1 Significant Accounting Policies

### 1.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards ('AS') specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act as applicable. Further, the Company follows the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ('NBFC'). The financial statements have been prepared under the historical cost convention, on accrual basis. The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.

### 1.2 Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and the estimates are recognised in the periods in which the results are known / materialised. Any revision to the accounting estimates are recognised prospectively in the current and future years.

### 1.3 Property, Plant & Equipments Depreciation/Amortisation and Impairment

#### a) Property, Plant & Equipments

Tangible Assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of tangible assets, which takes substantial period of time to get ready for their intended use, are also capitalised to the extent they relate to the period till such assets are ready to put to use.

#### b) Depreciation/Amortisation

Depreciation/Amortization is provided under straight line method at the rates determined based on the useful lives of the respective assets and residual values in accordance with Schedule II of the Companies Act, 2013.

Tangible Asset costing upto ₹ 5,000/- are depreciated fully over a period of 12 months from the date of purchase.

#### c) Impairment

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment, based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

### 1.4 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments in accordance with the RBI guidelines and Accounting Standard 13 on 'Accounting for Investments' as notified under the Companies (Accounting Standards) Rules, 2006. Current investments also include current maturities of long-term investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and market price determined category-wise. All non-current investments including investments in Subsidiary Companies are carried at cost. However, provision for diminution in value, other than temporary in nature, is made to recognise a decline, on an individual basis.

Cost is arrived at on weighted average method for the purpose of valuation of investment.

### 1.5 Stock for Trade

Stock for Trade is carried at lower of cost and market price, determined category-wise.



## Significant Accounting Policies and Notes to Financial Statements (Contd.)

### 1.6 Loan Assets

Loan Assets include loans advanced by the Company, secured by collateral offered by the customers, if applicable.

Loan assets are carried at net amount including installments fallen due and are net of unmatured / unearned finance charges, amounts received, assets not paid for, etc.

### 1.7 Provisioning / Write-off of Assets

The Company makes provision for Standard and Non-Performing Assets as per the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, as amended from time to time. The Company also makes additional provision towards loan assets, to the extent considered necessary, based on the management's best estimate. Provision for other financial services is also made on similar basis.

### 1.8 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured:

- a) Revenue from sale of Stock for Trade (shares/securities, commodities and mutual fund) is recognised when a binding obligation has been entered into.
- b) Interest Income from Loan assets is recognised in the Statement of Profit and Loss on accrual basis as per the terms and conditions of the loan agreement, except in the case of non-performing assets where it is recognised, upon realisation, as per the Prudential Norms / Directions of the Reserve Bank of India, applicable to NBFCs. Penal interest is recognized upon realization.
- c) Profit/loss from derivative instruments (futures and options) are recognised on a marked to market basis.
- d) Dividend income is recognised when the right to receive the dividend is established.
- e) Profit or Loss on sale of investments is recognised when a binding obligation has been entered into.
- f) Interest is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.
- g) All other income is accounted for on accrual basis.

### 1.9 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed separately.

### 1.10 Retirement and other Employee Benefits

#### a) Gratuity

Liability for gratuity, which is a defined benefit scheme, is provided for based on an actuarial valuation carried out as at the balance sheet date. The Company has taken a policy administered by Life Insurance Corporation of India. Actuarial gains/losses are charged to the Statement of Profit and Loss and are not deferred.

#### b) Compensated Absences

Short term compensated expenses are charged to the Statement of Profit and Loss in the year in which the related service is rendered.

#### c) Provident Fund and Employee State Insurance

The provision of Employees' Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and Employee State Insurance is not applicable to the Company as the number of employees were less than 20 during the year and at year end.

### 1.11 Borrowing Costs

Borrowing costs relating to the acquisition / construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

The ancillary costs incurred in connection with the arrangement of borrowings are amortised over the life of underlying borrowings. Premium payable on redemption of debentures is amortised over the tenure of the debentures. These form part of the borrowing costs.

## Significant Accounting Policies and Notes to Financial Statements (Contd.)

Borrowing costs also include exchange differences arising from Foreign currency borrowings, to the extent they are regarded as an adjustment to the borrowing costs.

All other costs related to borrowings are recognised as expense in the period in which they are incurred.

### 1.12 Segment reporting

Based on the risks and returns associated with business operations and in terms of Accounting Standard-17 (Segment Reporting), the Company is predominantly engaged in a single reportable segment of 'Financing and Related Services'.

### 1.13 Leases

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset, are classified as operating leases. Operating lease payments are recognised on a straight-line basis over the lease term.

### 1.14 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the year, attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, 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.

### 1.15 Cash and Cash Equivalents

Cash and Cash Equivalents in the Cash Flow Statement comprise of cash on hand and at bank, demand deposits with banks, cheques on hand, remittances in transit and short term highly liquid investments with an original maturity of three months or less.

### 1.16 Taxes on Income

Tax expense comprises of current tax [(net of Minimum Alternate Tax (MAT) credit entitlement)] and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities. The deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised 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. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 1.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes to financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

## Notes to Financial Statements

### 2. Share Capital

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Authorised</b>		
Equity Shares, ₹ 5/- par value per share	1,00,00,00,000	1,00,00,00,000
20,00,00,000 (Previous year: 20,00,00,000), Equity Shares	<b>1,00,00,00,000</b>	<b>1,00,00,00,000</b>
<b>Issued</b>		
Equity Shares, ₹ 5/- par value per share	96,60,05,600	96,60,05,600
19,32,01,120 (Previous year: 19,32,01,120), Equity Shares	<b>96,60,05,600</b>	<b>96,60,05,600</b>
<b>Subscribed and Fully Paid-up</b>		
Equity Shares, ₹ 5/- par value per share	95,11,91,645	95,11,91,645
19,02,38,329 (Previous year: 19,02,38,329), Equity Shares	<b>95,11,91,645</b>	<b>95,11,91,645</b>

#### (a) Reconciliation of Equity Shares outstanding:

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31st March 2019		As at 31st March 2018	
	No. of shares	(Amount in ₹)	No. of shares	(Amount in ₹)
At the beginning of the financial year	19,02,38,329	95,11,91,645	19,02,38,329	95,11,91,645
Add: Shares issued as fully paid-up during the financial year	-	-	-	-
At the end of the financial year	<b>19,02,38,329</b>	<b>95,11,91,645</b>	<b>19,02,38,329</b>	<b>95,11,91,645</b>

#### (b) Rights, preferences and restrictions in respect of each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company's authorised capital consist of one class of shares, referred to as equity shares, having par value of ₹ 5/- each. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Shareholders holding more than 5% equity shares each, are set out below :

Name of the Shareholders	As at 31st March 2019		As at 31st March 2018	
	No. of shares	% of Holding	No. of shares	% of Holding
Mr. Udai Kothari	3,34,83,699	17.60%	3,34,83,699	17.60%
Mr. Deepak Kothari	3,34,40,499	17.58%	3,34,40,499	17.58%
Lotus Capital Financial Services Limited	3,70,46,208	19.47%	2,86,61,056	15.07%
U.Y. Industries Private Limited	1,10,00,000	5.78%	1,10,00,000	5.78%
Strong Dealtrade Private Limited	-	0.00%	1,61,00,000	8.46%

## Notes to Financial Statements (Contd.)

### 3. Reserves and Surplus

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Securities Premium Reserve</b>		
Opening Balance	1,11,14,76,045	1,11,14,76,045
Add: Addition during the year	-	-
Add: Premium on Redemption of Debentures w/back	-	-
Closing Balance	<b>1,11,14,76,045</b>	<b>1,11,14,76,045</b>
<b>Special Reserve [Reserve Fund as per Section 45-IC of Reserve Bank of India Act, 1934]</b>		
Opening Balance	8,10,43,380	5,80,12,478
Add: Transfer from Surplus in the Statement of Profit and Loss	1,62,74,953	2,30,30,902
Closing Balance	<b>9,73,18,333</b>	<b>8,10,43,380</b>
<b>General Reserve</b>		
Opening Balance	3,72,892	3,72,892
Closing Balance	<b>3,72,892</b>	<b>3,72,892</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	30,18,44,567	20,97,20,960
Add: Net Profit for the year	8,13,74,765	11,51,54,509
Amount available for appropriation	<b>38,32,19,332</b>	<b>32,48,75,469</b>
<b>Appropriations:</b>		
Final Dividend	95,11,916	-
Dividend Distribution Tax on Final Dividend	19,30,360	-
Special Reserve	1,62,74,953	2,30,30,902
Closing Balance	<b>35,55,02,103</b>	<b>30,18,44,567</b>
<b>Total Reserves and Surplus</b>	<b>1,56,46,69,373</b>	<b>1,49,47,36,885</b>

### 4. Long-Term Provisions

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits (Non Current Portion) [Refer note 23]		
-Gratuity	(9,451)	2,50,125
Others		
Contingent Provisions against Standard Assets [Refer note (a) herein below]	44,78,604	44,76,521
Provisions for Non-Performing Assets [Refer note (a) herein below]	4,76,20,519	2,58,64,242
<b>Total</b>	<b>5,20,89,672</b>	<b>3,05,90,888</b>

#### Note:

- (a) Provisions for non-performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision based on the management's best estimate, to the extent considered necessary.
- The Company has created a general provision on the standard assets outstanding on the balance sheet date, as per the RBI Prudential Norms.

The following table sets forth the movement of aforesaid Provisions year-on-year:

(Amount in ₹)

Particulars	As at 1st April 2018	Provision made during the year	As at 31st March 2019
Contingent Provisions against Standard Assets	44,76,521	2,083	44,78,604
Provision for Non-Performing Assets	2,58,64,242	2,17,56,277	4,76,20,519

## Notes to Financial Statements (Contd.)

### 5. Other Current Liabilities - Others

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Unclaimed dividend	2,75,625	1,20,290
Other Payables		
-Liability for Expenses	7,18,917	10,75,347
-Statutory Liabilities	6,32,493	2,97,903
-Other Liabilities	-	18,900
<b>Total</b>	<b>16,27,035</b>	<b>15,12,440</b>

### 6. Property, Plant & Equipments

(Amount in ₹)

Particulars	Land Freehold	Air-conditioner & Electrical Equipments	Office Equipment	Furniture and Fixtures	Motor Vehicles	Computers	Office Premises	Total
Gross Block								
<b>At April 1, 2017</b>	<b>11,89,000</b>	<b>1,27,267</b>	<b>4,16,093</b>	<b>35,400</b>	<b>-</b>	<b>11,59,566</b>	<b>85,44,041</b>	<b>1,14,71,367</b>
Additions	-	1,23,924	4,90,762	16,79,847	11,06,034	4,54,275	-	38,54,842
Disposals	-	1,27,267	4,16,093	35,400	-	11,59,566	-	17,38,326
<b>At March 31, 2018</b>	<b>11,89,000</b>	<b>1,23,924</b>	<b>4,90,762</b>	<b>16,79,847</b>	<b>11,06,034</b>	<b>4,54,275</b>	<b>85,44,041</b>	<b>1,35,87,883</b>
Additions	-	-	-	-	-	85,800	-	85,800
Disposals	-	-	-	-	-	-	-	-
<b>At March 31, 2019</b>	<b>11,89,000</b>	<b>1,23,924</b>	<b>4,90,762</b>	<b>16,79,847</b>	<b>11,06,034</b>	<b>5,40,075</b>	<b>85,44,041</b>	<b>1,36,73,683</b>
Depreciation								
<b>At April 1, 2017</b>	<b>-</b>	<b>1,16,916</b>	<b>3,27,673</b>	<b>35,400</b>	<b>-</b>	<b>10,74,372</b>	<b>2,81,310</b>	<b>18,35,671</b>
Charge for the year	-	11,979	97,649	1,44,142	3,22,797	96,860	7,82,945	14,56,372
Disposals	-	1,18,261	3,52,007	35,400	-	10,81,828	-	15,87,496
<b>At March 31, 2018</b>	<b>-</b>	<b>10,634</b>	<b>73,315</b>	<b>1,44,142</b>	<b>3,22,797</b>	<b>89,404</b>	<b>10,64,255</b>	<b>17,04,547</b>
Charge for the year	-	29,327	1,88,144	3,97,596	2,44,604	2,68,101	7,10,582	18,38,354
Disposals	-	-	-	-	-	-	-	-
<b>At March 31, 2019</b>	<b>-</b>	<b>39,961</b>	<b>2,61,459</b>	<b>5,41,738</b>	<b>5,67,401</b>	<b>3,57,505</b>	<b>17,74,837</b>	<b>35,42,901</b>
Net Block								
At March 31, 2018	11,89,000	1,13,290	4,17,447	15,35,705	7,83,237	3,64,871	74,79,786	1,18,83,336
<b>At March 31, 2019</b>	<b>11,89,000</b>	<b>83,963</b>	<b>2,29,303</b>	<b>11,38,109</b>	<b>5,38,633</b>	<b>1,82,570</b>	<b>67,69,204</b>	<b>1,01,30,782</b>

None of the Company's Property, Plant & Equipments are considered impaired as on the Balance Sheet date.

### 7. Deferred Tax Assets (Net)

In terms of Accounting Standard 22, the Deferred Tax Assets (DTA) recognised during the year is ₹ 89,05,639 (Previous year: ₹ 49,23,922) and the Deferred Tax Liabilities recognised during the year is ₹ Nil (Previous year: ₹ Nil). Consequently, the net DTA as at 31st March, 2019 stands at ₹ 89,05,639 (Previous year: ₹ 49,23,922).

Deferred taxes comprises the following:

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax Assets		
Depreciation on Fixed asset	4,73,270	2,12,297
Others	84,32,369	47,11,625
<b>Total</b>	<b>89,05,639</b>	<b>49,23,922</b>

## Notes to Financial Statements (Contd.)

### 8. Non-Current Investments

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Investments (at Cost unless otherwise stated)</b>		
<b>In Equity instruments - Unquoted</b>		
<b>In Subsidiaries</b>		
Nil (Previous year: 50,000), equity shares of ₹ 10/- each in Golden Goenka Financial Advisors Limited	-	5,00,000
Nil (Previous year: 50,000), equity shares of ₹ 10/- each in Golden Goenka Management Consultancy Services Limited	-	5,00,000
Nil (Previous year: 10,000), equity shares of ₹ 10/- each in Golden Goenka Properties & Construction Private Limited	-	1,00,000
9,00,000 (Previous year: 9,00,000), equity shares of ₹ 10/- each in Aristro Capital Markets Limited	14,85,86,000	14,85,86,000
Nil (Previous year: 50,000), equity shares of ₹ 10/- each in Goodpoint Conclave Limited	-	5,00,000
Nil (Previous year: 50,000), equity shares of ₹ 10/- each in Linkwise Promoters Private Limited	-	5,00,000
<b>In Associate</b>		
25,00,000 (Previous year: 25,00,000), equity shares of ₹ 10/- each in Purple Advertising Services Private Limited	9,00,00,000	9,00,00,000
<b>In Others</b>		
6,00,000 (Previous year: Nil), equity shares of ₹ 10/- each in Brima Sagar Maharashtra Distilleries Private Limited	4,02,00,000	-
8,00,000 (Previous year: 8,00,000), equity shares of ₹ 10/- each in S2 Capital Services Private Limited [Net of provision for diminution in the value of investment aggregating ₹ 1,25,00,000/- (P.Y. Nil)]	-	1,25,00,000
5,00,000 (Previous year: 5,00,000), equity shares of ₹ 10/- each in Brihans Laboratories Pvt Ltd [Net of provision for diminution in the value of investment aggregating ₹ 50,00,000/- (P.Y. Nil)]	-	50,00,000
32,00,000 (Previous year: 32,00,000), equity shares of ₹ 10/- each in Shalimar Lakecity Private Limited (Formerly known as ANS Developers Private Limited)	8,00,00,000	8,00,00,000
Nil (Previous year: 5,00,000), equity shares of ₹ 10/- each in Shree Saishraddha Cements Private Limited	-	50,00,000
<b>Total</b>	<b>35,87,86,000</b>	<b>34,31,86,000</b>
Aggregate amount of quoted non-current investments	-	-
Aggregate market value of quoted non-current investments	-	-
Aggregate amount of unquoted non-current investments	37,62,86,000	34,31,86,000
Aggregate provision for diminution in the value of non-current investments	1,75,00,000	-
All Investments mentioned above are fully paid-up.		

**Note:-** The value of investment in S2 Capital Services Private Limited of ₹ 1,25,00,000/- and Brihans Laboratories Private Limited of ₹ 50,00,000/- has been considered to be non-recoverable due to losses in the companies resulting in erosion of their networth as per their balance sheet available with the Company. Hence provision has been taken for full value of investment.

## Notes to Financial Statements (Contd.)

### 9. Loan Assets

(Amount in ₹)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Long Term		Short-Term	Long Term		Short-Term
	Non-Current Maturities	Current Maturities		Non-Current Maturities	Current Maturities	
<b>Considered Good, unless otherwise stated</b>						
<b>Secured</b>						
-Two-Wheeler Loans [Refer note (a) herein below]	-	2,15,541	-	-	2,15,541	-
<b>Unsecured</b>						
Loan to Related parties [Refer note 27]	-	-	1,12,81,00,000	-	-	90,49,00,000
Loan to Others [Refer note (b) herein below]	-	-	89,42,91,729	-	-	1,03,27,58,220
<b>Total</b>	-	<b>2,15,541</b>	<b>2,02,23,91,729</b>	-	<b>2,15,541</b>	<b>1,93,76,58,220</b>

#### Note

(a) Two Wheeler Loans includes Non-Performing Assets of ₹ 1,45,519 (Previous Year ₹ 1,39,242).

(b) Short-Term, unsecured, Loan to Others includes Non-Performing Assets of ₹ 4,74,75,000 (Previous Year ₹ 2,57,25,000).

### 10. Other Long-Term Advances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Considered Good, unless otherwise stated</b>		
<b>Unsecured</b>		
Capital Advances	-	1,63,547
Security Deposits	3,56,637	2,13,400
<b>Total</b>	<b>3,56,637</b>	<b>3,76,947</b>

### 11. Stock for Trade

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Stock for Trade [Refer Annexure I to Notes to Financial Statements] (At lower of cost and net realisable value)	84,091	13,38,662
<b>Total</b>	<b>84,091</b>	<b>13,38,662</b>

### 12. Trade Receivables

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good		
Other Debts	-	1,36,493
<b>Total</b>	<b>-</b>	<b>1,36,493</b>

### 13. Cash and Bank Balances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Cash and Cash Equivalents:</b>		
Cash on Hand	1,16,776	1,01,746
Balances with Banks		
-In Current Account	2,11,24,567	3,16,18,922
-In Unclaimed Dividend Account	2,75,625	1,20,290
-In Cheques in Hand	-	-
<b>Total</b>	<b>2,15,16,968</b>	<b>3,18,40,958</b>

## Notes to Financial Statements (Contd.)

### 14. Other Short-Term Advances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, Considered Good</b>		
Interest accrued and due on Loans	9,65,81,246	10,56,09,252
Other loans and advances		
-Other advances	7,55,887	14,506
-Prepaid Expenses	66,415	-
-Advance Tax [(net of provision for tax ₹ 20,60,25,075) (Previous year ₹ 12,88,48,152)]	2,45,78,119	2,06,56,573
<b>Total</b>	<b>12,19,81,667</b>	<b>12,62,80,331</b>

### 15. Other Current Assets

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, considered good</b>		
Current maturities of Long-Term Loan Assets	-	-
Interest accrued but not due	2,52,08,671	2,01,91,449
Gratuity Fund (Refer note 23)	-	-
<b>Total</b>	<b>2,52,08,671</b>	<b>2,01,91,449</b>

### 16. Revenue From Operations

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Sale of Stock for Trade	4,21,657	4,39,67,161
Income from Loans	19,96,75,689	19,18,31,756
<b>Total</b>	<b>20,00,97,346</b>	<b>23,57,98,917</b>

### 17. Other Income

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Dividend Income from Stock for Trade	-	2,38,030
Interest on Security Deposit	7,555	-
Misc. Income	74,527	-
<b>Total</b>	<b>82,082</b>	<b>2,38,030</b>

### 18. Employee Benefits Expense

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Salaries, Allowances and Bonus	1,12,13,667	79,02,068
Contribution to Provident and Other Funds	6,250	2,65,826
Staff Welfare Expenses	3,63,189	1,83,410
<b>Total</b>	<b>1,15,83,106</b>	<b>83,51,304</b>



## Notes to Financial Statements (Contd.)

### 19. Other Expenses

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Advertisement, Publicity & Sales Promotion	2,15,629	86,552
Capital & Commodity Market Expenses	2,235	57,270
Commission	-	9,40,000
Communication Expenses	1,23,681	83,481
Corporate Compliance Fees	5,77,110	6,38,519
CSR Expenditure	31,00,000	29,00,000
Directors' Sitting Fees	1,58,120	72,530
Donation	1,40,00,000	1,00,00,000
Electricity Charges	57,568	1,61,349
Fees & Subscription	17,083	66,757
Insurance	28,622	1,32,604
Legal & Professional Fees	2,82,178	10,62,905
Miscellaneous Expenses	2,03,750	1,01,815
Motor Car Expenses	1,07,371	17,935
Printing and Stationery	2,44,469	4,89,007
Rates and Taxes	13,250	90,418
Rent	5,70,461	3,47,192
Repair and Maintenance to Others	3,50,708	2,04,676
Provision for Diminution in Value of Investments	1,75,00,000	-
Loan Written Off	-	1,50,830
Auditors' Remuneration [Refer note 20]	2,30,260	1,65,050
Travelling and Conveyance	5,30,125	31,24,281
<b>Total</b>	<b>3,83,12,620</b>	<b>2,08,93,172</b>

### 20. Auditors' Remuneration

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
As Auditors	1,34,400	80,000
For Taxation Matters	22,700	17,700
For Other Services	73,160	67,350
<b>Total</b>	<b>2,30,260</b>	<b>1,65,050</b>

### 21. Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
I. Contingent Liabilities -Bank Guarantee*	-	-
Guarantee in favor of a bank against facilities granted to		
• Others	-	3,00,00,00,000
II Commitments		
Estimated amount of capital contracts remaining to be executed and not provided for (Net of advances)	-	-

\* The Corporate Guarantee given by the Company to secure the term Loan of ₹ 300 Crores granted to M/s Shalimar Lakecity Pvt Ltd (SLPL) (Formerly known as M/s ANS Developers Pvt Ltd) by Syndicate Bank, MID Corporate Branch has been paid off in full and final by the SLPL. Furthermore the company has received the No Objection Certificate dated 17th May, 2018 from the bank regarding the satisfaction of charge so created by the company against the Corporate Guarantee. The company had filed the satisfaction of charge with ROC, Kolkata and the same was approved by them.

In March 2015, search and seizure operations were conducted by the Income Tax authorities under Section 132 of the Income Tax Act. During the course of the search and seizure operations, the income tax authorities have taken custody of certain materials such as documents, records, and recorded statements of certain officials of the Company. The Company does not expect any liability arising out of the aforesaid search and seizure.

## Notes to Financial Statements (Contd.)

### 22. Operating lease-in the capacity of lessee

The Company has a operating lease arrangement for office space for a period of 5 years and the same is renewable on a periodic basis at the option of both the lessor and lessee. The total rental expenses for the year amounted to ₹ 5,70,461 (Previous year ₹ Nil).

### 23. Disclosure pursuant to Accounting Standard (AS) 15 (Revised) - Employee Benefits

#### Defined Benefit Plan:

The trustees of the gratuity scheme for the employees of the Company have entrusted the administration of the scheme to the Life Insurance Corporation of India (LIC).

#### (a) Expenses recognised in the Statement of Profit and Loss are as follows:

(Amount in ₹)

Particulars	Gratuity	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Current services cost	1,41,017	1,13,924
Interest cost	24,949	37,954
Expected return on plan assets	(62,088)	(42,251)
Net actuarial losses/(gains)	12,757	(2,93,652)
<b>Net benefit expense</b>	<b>1,16,635</b>	<b>(1,84,026)</b>

#### (b) Net Liability recognized in the Balance Sheet is as follows:

(Amount in ₹)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligation	5,11,372	3,32,649
Fair value of plan assets	9,50,904	6,30,222
Net Asset/ liability	4,39,532	2,97,573
- Non-Current	4,39,532	2,97,573
- Current	-	-

#### (c) Changes in the present value of the defined benefit obligations are as follows

(Amount in ₹)

Particulars	Gratuity	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening defined benefit obligation	3,32,649	4,74,423
Interest cost	24,954	37,954
Current service cost	1,41,017	1,13,924
Benefit paid	-	-
Actuarial losses/(gains)	12,757	(2,93,652)
Plan Amendments	-	-
Closing defined benefit obligation	5,11,372	3,32,649

#### (d) The details of fair value of plan assets at the Balance Sheet date are as follows:

(Amount in ₹)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Opening fair value of plan assets	6,30,222	4,90,124
Expected return on plan assets	62,088	42,251
Contribution	2,58,594	97,846
Benefits paid	-	-
Actuarial (losses) / gains	-	-
Closing fair value of plan assets	9,50,904	6,30,222

## Notes to Financial Statements (Contd.)

(e) The principal assumptions used in determining the gratuity and leave liability are as shown below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Discount rate (%)	7.50%	7.50%
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate

(f) The amounts for the current and previous years are as follows:

(Amount in ₹)

Particulars	Gratuity	
	31st March, 2019	31st March, 2018
Defined benefit obligation	5,11,372	3,32,649
Fair value of plan assets	9,50,904	6,30,222
Deficit	4,39,532	2,97,573
Experience adjustments on plan liabilities – gain/ (loss)	-	-
Experience adjustments on plan assets – gain/(loss)	-	-
Actuarial gain/(loss) due to change on assumptions	-	-

24. The management is of the view that the business of the Company predominantly falls within a single primary segment viz. "Financial and Related Services" and hence the disclosure requirement of Accounting Standard-17 'Segment Reporting' notified by the Central Government under Companies (Accounting Standards) Rules, 2006, is not applicable.

### 25. Earnings Per Equity Share

Particulars	2018-19	2017-18
Profit After Tax attributable to Equity Shareholders (₹)	8,13,74,765	11,51,54,509
Weighted average number of Equity Shares (Basic)	19,02,38,329	19,02,38,329
Weighted average number of Equity Shares (Diluted)	19,02,38,329	19,02,38,329
Nominal Value of Equity per share (₹)	5	5
Earnings per share (₹) - <b>Basic</b>	<b>0.43</b>	<b>0.61</b>
- <b>Diluted</b>	<b>0.43</b>	<b>0.61</b>

26. The Company has not received any memorandum from 'Suppliers' (as required to be filed by the 'Suppliers' with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2019 as micro, small or medium enterprises. Consequently, the amount paid / payable to these parties during the year is ₹ Nil (Previous year: ₹ Nil).

## Notes to Financial Statements (Contd.)

### 27. Related Party Disclosures

#### A. Related Parties:

- |  |   |
|--|---|
| I. Subsidiaries  | : Aristro Capital Markets Limited.  |
|  | : Golden Goenka Properties & Construction Private Limited.<br>(upto 29th September, 2018) |
|  | : Golden Goenka Financial Advisors Limited.<br>(upto 29th September, 2018)                |
|  | : Golden Goenka Management Consultancy Services Limited.<br>(upto 29th September, 2018)   |
|  | : Goodpoint Conclave Limited.<br>(upto 29th September, 2018)                              |
|  | : Linkwise Promoters Private Limited.<br>(upto 29th September, 2018)                      |
| ii. Associates   | : Purple Advertising Services Private Limited.  |
| iii. Enterprises significantly influenced<br>by Key management personnel or<br>their relatives | : Brihans Laboratories Private Limited.   |
|  | : Brima Sagar Maharashtra Distilleries Limited.   |
|  | : Quality Laminators.   |
|  | : R. K. Products & Co.  |
|  | : Sarvatra Technologies Private Limited.  |
|  | : U.Y. Aviation Private Limited.  |
|  | : Zircon Traders Limited.   |
|  | : U.Y. Industries Private Limited.  |

#### B. Key Management Personnel:

- |                             |   |
|-----------------------------|---|
| iv. Managing Director       | : Mr. Udai Kothari                              |
| v. Executive Director       | : Mr. Deepak Kothari                            |
|                             | : Mr. Dinesh Burman                             |
| vi. Chief Financial Officer | : Mr. Alok Banerjee (w.e.f. 1st November, 2018) |
|                             | : Mr. Ayush Agrawal (upto 10th September, 2018) |
| vii. Company Secretary      | : Mrs. Amrita Mohta Kothari                     |

## Notes to Financial Statements (Contd.)

The following is the summary of transactions with related parties:

(Amount in ₹)

Name of related party	Nature of transactions and outstanding balances	2018-19	2017-18
<b>Enterprises significantly influenced by Key management personnel or their relatives :</b>			
Brihans Laboratories Private Limited	Loan Given	2,00,00,000	9,15,00,000
	Loan Repaid	50,00,000	-
	Balance Receivable: Loans	25,57,15,500	23,32,08,995
	Interest Income	2,57,94,999	1,74,54,349
	Investment in Shares	-	50,00,000
Brima Sagar Maharashtra Distilleries Limited	Loan Given	7,60,00,000	-
	Loan Repaid	3,55,00,000	-
	Balance Receivable: Loans	25,61,88,783	24,31,58,505
	Interest Income	2,57,65,314	2,11,75,000
	Investment in Shares	4,02,00,000	-
Quality Laminators	Loan Given	-	1,00,00,000
	Loan Repaid	-	-
	Balance Receivable: Loans	2,19,79,999	2,17,92,848
	Interest Income	22,03,223	20,04,657
R. K. Products & Co.	Loan Given	16,40,00,000	2,00,00,000
	Loan Repaid	30,00,000	-
	Balance Receivable: Loans	19,74,54,071	2,19,20,328
	Interest Income	1,82,82,302	21,33,698
Sarvatra Technologies Private Limited	Loan Given	-	1,50,00,000
	Loan Repaid	1,00,00,000	-
	Balance Receivable: Loans	50,52,891	1,50,00,000
	Interest Income	15,26,610	6,57,122
U.Y. Aviation Private Limited	Loan Given	8,91,00,000	14,35,00,000
	Loan Repaid	22,00,00,000	7,05,00,000
	Balance Receivable: Loans	9,18,57,814	22,29,49,798
	Interest Income	55,92,700	1,83,53,425
Zircon Traders Limited	Loan Given	7,25,00,000	6,10,00,000
	Loan Repaid	6,10,00,000	-
	Balance Receivable: Loans	25,38,60,537	23,97,03,678
	Interest Income	2,37,33,930	2,07,81,865
U.Y. Industries Private Limited	Rent Paid	5,70,461	-
	Interest on Security Deposit	7,555	-

## Notes to Financial Statements (Contd.)

Subsidiaries:			
Linkwise Promoters Private Limited	Sale of: Investment In Equity Instruments	5,00,000	-
Goodpoint Conclave Limited	Sale of: Investment In Equity Instruments	5,00,000	-
Golden Goenka Management Consultancy Services Limited	Sale of: Investment In Equity Instruments	5,00,000	-
Golden Goenka Properties & Construction Private Limited	Loan Given	-	1,50,000
	Loan Repaid	-	1,69,00,000
	Balance Receivable: Loans	-	-
	Sale of : Investment In Equity Instruments	1,00,000	-
Golden Goenka Financial Advisors Limited	Loan Given	-	-
	Loan Repaid	-	80,000
	Balance Receivable: Loans	-	-
	Sale of: Investment In Equity Instruments	5,00,000	-
Aristro Capital Markets Limited	Security transaction Tax*	195	38,537
	Purchase of Shares & Securities*	-	9,03,903
	Sales of Shares & Securities*	4,21,657	3,83,90,440
	Direct Expenses on Shares*	423	14,078
	Demat Charges*	1,617	2,550
	Share Speculation Profit/(Loss)*	-	-
	Balance Receivable/(Payable)*	-	1,36,493
Key Management Personnel			
Mr. Udai Kothari	Managerial Remuneration	48,00,000	25,32,916
	Loan Given	3,50,00,000	-
	Loan Repaid	-	-
	Balance Receivable: Loans	3,71,76,795	-
	Interest Income	21,76,795	-
Mr. Deepak Kothari	Managerial Remuneration	24,00,000	12,66,250
Mr. Girdhari Lal Goenka	Managerial Remuneration	-	10,20,000
Mr. Dinesh Burman	Managerial Remuneration	3,06,000	3,06,000
Mr. Alok Banerjee	Remuneration	5,00,000	-
Mr. Ayush Agrawal	Remuneration	6,11,291	11,18,443
Mrs. Amrita Mohta Kothari	Remuneration	8,25,500	7,06,576

\* as a Stock Broker

**Note:-** Related parties as defined under clause 3 of the Accounting Standard-18- 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. Accordingly, disclosure have been made in respective notes to financial statements as required by Schedule III to Companies Act, 2013.

## Notes to Financial Statements (Contd.)

28. The Board of Directors of the Company at its meeting held on 19th January, 2017 considered and approved the disinvestment of the entire shares of one of its material wholly owned subsidiary viz, Aristro Capital Markets Limited to one or more entities subjected to the Shareholders approval vide Postal Ballot. Further as per the combined Scrutinizer Report on E-voting & Postal Ballot dated 21st March, 2017 issued by Mr. Prateek Kohli, Practicing Company Secretary (CP No 16457), Proprietor of M/s Prateek Kohli & Associates, Company Secretaries, the Scrutinizer, the members of our Company had approved the proposal of disinvestment of the M/s Aristro Capital Markets Limited to one or more entities. The transaction for sale of shares is pending for regulatory approvals. Pending such approval, the effect of the transaction has not been reflected.
29. The Company and M/s Golden Goenka Credit Private Limited (Formerly known as Risewell Credit Private Limited) had made an investment in M/s Purple Advertising Services Private Limited (the "Associate") during the year 2012-13 and 2013-14 and as a result M/s Purple Advertising Services Private Limited became the Associate of the Company from year 2013-14. As per the terms of agreement for investment, the Associate Company had agreed to issue a specified number of its equity shares in lieu of investments made. However, the requisite numbers of shares were not issued. Consequently, the agreement was cancelled and a money suit was filed in the Hon'ble Calcutta High Court against the Associate Company.
30. During the year, the name of the company has been changed from "Golden Goenka Fincorp Ltd" to "U. Y. Fincorp Ltd" with effect from 10<sup>th</sup> December, 2018 pursuant to issue of fresh Certificate of Incorporation dated 10<sup>th</sup> December, 2018 by Registrar of Companies, Kolkata.
31. During the year under review, the Company had disposed all the equity stake in the following wholly owned subsidiary companies namely:-
- Golden Goenka Financial Advisors Limited.
  - Golden Goenka Management Consultancy Services Limited.
  - Golden Goenka Properties & Construction Private Limited.
  - Goodpoint Conclave Limited.
  - Linkwise Promoters Private Limited.
- Consequent to the said disposal, the aforesaid Companies ceases to be wholly owned subsidiaries of the company w.e.f. 29-09-2018.
32. The shareholder of the company at the 25th Annual General Meeting held on 26.09.2018 had approved the payment of final dividend of ₹ 0.05/- per equity shares (i.e. 1% of the paid up equity share capital) for the year ended 31st March, 2018.
33. Additional information as required by Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is furnished vide **Annexure – II** is attached herewith.
34. Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current year.

### Signatories to Notes 1 to 34

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Place: Kolkata  
Date: 29th May, 2019

### For and on behalf of the Board of Directors

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)

## Notes to Financial Statements (Contd.)

### ANNEXURE - I TO THE NOTES TO FINANCIAL STATEMENTS [Refer Note 11]

#### Particulars of Stock for Trade as on 31st March, 2019

Particulars	Face Value (Amount in ₹)	Quantity (Nos.)	Cost Value (Amount in ₹)	Value (Amount in ₹)
<b>Equity Shares: Trade (A)</b>				
Kappac Pharma Limited	10	20,200	53,69,566	1
Mystic Electronics Limited	10	22,305	1,22,30,088	84,090
<b>Total</b>			<b>1,75,99,654</b>	<b>84,091</b>
		Units	Cost Value (Amount in ₹)	Value (Amount in ₹)
<b>Mutual Fund (B)</b>				
Reliance Liquid Fund - Cash Plan Growth Option-Growth Plan		-	-	-
<b>Total</b>			-	-
			Cost Value (Amount in ₹)	Value (Amount in ₹)
Grand Total (A+B)			1,75,99,654	84,091
Less: Provision for Diminution			1,75,15,563	-
<b>Total</b>			<b>84,091</b>	<b>84,091</b>

## Notes to Financial Statements (Contd.)

### ANNEXURE II TO THE NOTES TO FINANCIAL STATEMENTS [Refer note 33]

Disclosure of details as required in terms of paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. (Amount in ₹)

Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>		
(1) <b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		
(i) Debentures:		
Secured	-	-
Unsecured (other than falling within the meaning of public deposit)	-	-
(ii) Deferred Credits	-	-
(iii) Term Loans	-	-
(iv) Inter-corporate loans and borrowing	-	-
(v) Commercial Paper	-	-
(vi) Other Loans:	-	-
Working capital facility		
Public Deposit		

Particulars	Amount Outstanding
<b>Assets Side :</b>	
(2) <b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
(i) Secured	2,15,541
(ii) Unsecured	2,02,23,91,729
(3) <b>Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities</b>	
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial Lease	-
(b) Operating Lease	
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Others Loans counting towards AFC activities:	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
(4) <b>Break up of Investments</b>	
Current Investments*	
(i) Quoted:	
(a) Shares: (a) Equity	84,091
(b) Preference	-
(b) Debentures and bonds	-
(c) Units of mutual funds	-
(d) Government Securities	-
(e) Others	-
(ii) Unquoted:	
(a) Shares: (A) Equity	-
(B) Preference	-
(b) Debentures and bonds	-
(c) Units of mutual funds	-
(d) Government Securities	-
(e) Others	-

\* Stock for Trade

## Notes to Financial Statements (Contd.)

(Amount in ₹)

Particulars	Amount Outstanding
Long term investments	
(i) Quoted:	
(a) Shares: (A) Equity	-
(B) Preference	-
(b) Debentures and bonds	-
(c) Units of mutual funds	-
(d) Government Securities	-
(e) Others	-
(ii) Unquoted:	
(a) Shares: (A) Equity	37,62,86,000
(B) Preference	-
(b) Debentures and bonds	-
(c) Units of mutual funds	-
(d) Government Securities	-
(e) Others	-

### (5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
i. Related Parties:			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	1,10,55,29,750	1,10,55,29,750
ii. Other than related parties	70,022	86,49,08,375	86,49,78,397
<b>Total</b>	<b>70,022</b>	<b>1,97,04,38,125</b>	<b>1,97,05,08,147</b>

### (6) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up or fair value of NAV	Book Value (net of provisions)
i. Related Parties:		
(a) Subsidiaries	14,85,86,000	14,85,86,000
(b) Companies in the same group	9,00,00,000	9,00,00,000
(c) Other related parties	4,02,00,000	4,02,00,000
ii. Other than related parties	8,00,00,000	8,00,00,000
<b>Total</b>	<b>35,87,86,000</b>	<b>35,87,86,000</b>

### (7) Other Information:

Particulars	(Amount in ₹)
i. Gross Non-Performing Assets	
(a) Related parties	10,00,00,000
(b) Other than related parties	13,11,65,541
ii. Net Non-Performing Assets	
(a) Related parties	10,00,00,000
(b) Other than related parties	13,11,65,541
iii. Assets acquired in satisfaction of debt	-

# **Consolidated Financials**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF U.Y. FINCORP LIMITED

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

#### Opinion

We have audited the accompanying consolidated financial statements of **U. Y. FINCORP LIMITED** ("the Company"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Statement of Consolidated Profit and Loss, and the Statement of Consolidated Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter 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 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 Standards prescribed under section 133 of the Act Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, the consolidated profit and its consolidated cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 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 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 opinion.

#### Emphasis of Matter

- We draw attention in respect of one of the subsidiary which was audited by other auditor, the subsidiary has made investments in 13,85,000 equity shares of Aqua Logistics Ltd having face value of ₹ 1 each amounting to Rs.157.34 Lakhs (Previous Year ₹157.34 Lakhs) being shown as quoted / Non-current investments in the Consolidated financial results of the Company for the financial year ended 31st March 2019. The Hon'ble Bombay High Court vide its order dated 12th November, 2013, has ordered that Aqua Logistics Ltd. be wound up and the Official Liquidator attached to the Hon'ble High Court, Bombay has been appointed as Liquidator hereof with usual powers. Hence, we are unable to form an opinion regarding valuation of the said investment. The management of the Company is of the view that it will recover the investment amount and therefore no provision for diminution in the value of the investment has been made in the current financial year.
- As stated in Note no. 22(a) of the consolidated financial statements, in absence of the financial statements of associate company M/s Purple Advertising Services Private Limited for the year ended March 31, 2019, the results of same has not been consolidated as per Accounting Standard 23 on "Accounting for Investment in Associates" in Consolidated Financial Statements. Consequently the impact of the same and the value of investments in such associate are not ascertainable presently.

Our Opinion is not modified in respect of above matters.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. There are no key audit matters that need to be report in auditor's report.

#### Information Other than the Consolidated 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, 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.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

### **Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statement**

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

In preparing the consolidated financial statements, Board of Directors 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 Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

### Other Matters

We did not audit the financial statements of 1(one) subsidiary, whose financial statements reflect total assets of ₹ 1,983.41 Lakhs as at March 31, 2019 and total revenue of ₹ 1,967.88 Lakhs for the year ended on that date. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the effects of the matter described in the Emphasis of Matter paragraph above, 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 Statement of Consolidated Profit and Loss and the Statement of consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The matters described in paragraph Emphasis of Matter may not have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g) 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”.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note no 24 to the consolidated financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Das & Prasad**

Chartered Accountants

(Firm's Registration No.303054E)

Sd/-

**Anil Kumar Agarwal**

(Partner)

(Membership No. 062368)

Place: Kolkata

Date: May 29, 2019

## Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of U.Y. Fincorp Limited ("the Holding Company") and its subsidiary company which is a company incorporated in India, as of that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are 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 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

## Annexure - A to the Auditors' Report (Contd.)

### Opinion

In our opinion, the Holding Company and its subsidiary company, which is a company incorporated in India, 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 March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 (one) subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **Das & Prasad**

Chartered Accountants

(Firm's Registration No.303054E)

Sd/-

**Anil Kumar Agarwal**

(Partner)

(Membership No. 062368)

Place: Kolkata

Date: May 29, 2019



Growth, Wealth, Success

## Consolidated Balance Sheet as at 31st March, 2019

(Amount in ₹)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	95,11,91,645	95,11,91,645
Reserves and Surplus	3	1,57,66,84,156	1,50,29,43,844
		<b>2,52,78,75,801</b>	<b>2,45,41,35,489</b>
<b>Non-Current Liabilities</b>			
Long-Term Loans	4A	2,67,11,673	2,09,22,447
Long-Term Provisions	4B	5,20,89,672	3,05,90,888
		<b>7,88,01,345</b>	<b>5,15,13,335</b>
<b>Current Liabilities</b>			
Trade payables	5	83,36,185	46,15,662
Other Current Liabilities			
- Others	6	43,19,033	50,89,668
		<b>1,26,55,218</b>	<b>97,05,330</b>
<b>TOTAL</b>		<b>2,61,93,32,364</b>	<b>2,51,53,54,154</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipments	7		
- Tangible assets		1,62,92,140	3,35,02,778
- Intangible assets		-	1,64,187
		<b>1,62,92,140</b>	<b>3,36,66,965</b>
Deferred Tax Assets (Net)	8	89,05,639	49,23,280
Non-Current Investments	9	23,34,47,562	21,92,47,562
Long-Term Loans and Advances			
- Other Long-Term Advances	11	3,71,47,543	2,93,02,447
		<b>27,95,00,744</b>	<b>25,34,73,289</b>
<b>Current Assets</b>			
Stock for Trade	12	9,95,45,430	7,82,36,099
Trade Receivables	13	74,60,224	33,98,677
Cash and Bank Balances	14	4,33,97,767	5,81,11,995
Short-Term Loans and Advances			
- Loan Assets	10	2,02,23,91,729	1,93,76,58,219
- Other Short-Term Advances	15	12,49,95,407	13,00,77,930
Other Current Assets			
- Current Maturities of Long-Term Loan Assets	10	2,15,541	2,15,541
- Other Current Assets	16	2,55,33,382	2,05,15,439
		<b>2,32,35,39,480</b>	<b>2,22,82,13,900</b>
<b>TOTAL</b>		<b>2,61,93,32,364</b>	<b>2,51,53,54,154</b>

Significant Accounting Policies and Notes to Consolidated Financial Statements 1 to 36  
The Notes referred to above form an integral part of the Balance Sheet  
This is the Balance Sheet referred to in our report of even date

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

For and on behalf of the Board of Directors

Sd/-  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Sd/-  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

Sd/-  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

Place: Kolkata  
Date: 29th May, 2019

Sd/-  
**CA Alok Banerjee**  
(Chief Financial Officer)

Sd/-  
**Amrita Mohta Kothari**  
(Company Secretary)



Growth, Wealth, Success

## Consolidated Statement of Profit & Loss for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Note	Year ended 31st March 2019	Year ended 31st March 2018
<b>INCOME</b>			
Revenue From Operations	17	39,61,26,989	39,75,86,396
Other Income	18	8,38,540	22,46,535
<b>Total</b>		<b>39,69,65,529</b>	<b>39,98,32,931</b>
<b>EXPENSES</b>			
Purchases of Shares, Mutual Funds & Commodities		15,12,61,744	13,27,04,623
Changes in Stock for Trade		(2,13,09,330)	2,91,11,299
Employee Benefits Expense	19	1,91,47,275	1,29,65,005
Finance Cost	20	17,60,492	94,373
Depreciation/Amortisation and Impairment	7	29,87,122	19,33,706
Other Expenses	21	9,18,31,892	4,49,82,385
<b>Total</b>		<b>24,56,79,195</b>	<b>22,17,91,391</b>
<b>Profit before Provisions &amp; Tax</b>		<b>15,12,86,334</b>	<b>17,80,41,540</b>
Contingent Provisions against Standard Assets		2,083	(14,61,859)
Provision for Non-Performing Assets		2,17,56,277	1,38,33,894
		<b>2,17,58,360</b>	<b>1,23,72,035</b>
<b>Profit Before Exceptional items &amp; Tax</b>		<b>12,95,27,974</b>	<b>16,56,69,505</b>
<b>Exceptional Items</b>		-	-
<b>Profit Before Tax</b>		<b>12,95,27,974</b>	<b>16,56,69,505</b>
<b>Tax Expense :</b>			
- Current tax		4,83,96,564	5,04,64,651
- Deferred Tax		(39,81,717)	(7,78,286)
Total Tax for the current year		4,44,14,847	4,96,86,365
Income Tax in respect of earlier year		4,997	4,295
<b>Profit After Tax but before Share of Profit of Associate</b>		<b>8,51,08,130</b>	<b>11,59,78,845</b>
Share of Profit of Associate		-	-
<b>Profit After Tax</b>		<b>8,51,08,130</b>	<b>11,59,78,845</b>
<b>Earnings per Equity Share (Par Value ₹ 5/- per Equity Share)</b>	<b>25</b>		
Basic (₹)		0.45	0.61
Diluted (₹)		0.45	0.61

Significant Accounting Policies and Notes to Consolidated Financial Statements 1 to 36  
The Notes referred to above form an integral part of the Statement of Profit & Loss  
This is the Statement of Profit & Loss referred to in our report of even date

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

For and on behalf of the Board of Directors

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

Place: Kolkata  
Date: 29th May, 2019

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)



Growth, Wealth, Success

## Consolidated Cash Flow Statement for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax</b>	12,95,27,974	16,56,69,505
Adjustment for:		
Depreciation/Amortisation and Impairment	29,87,122	19,33,706
Contingent Provisions against Standard Assets	2,083	(14,61,859)
Provision for Non-Performing Assets	2,17,56,277	1,38,33,894
Dividend Income on Long Term Investments	(8,38,540)	(11,27,962)
Provision for diminution in value of Investments	1,75,00,000	1,50,830
Interest Income from Security/Fixed Deposit	(11,34,390)	—
Interest on Borrowings	17,56,938	—
<b>Operating Profit before Working Capital Changes</b>	<b>17,15,57,464</b>	<b>17,89,98,114</b>
Adjustments for:		
Increase / (Decrease) in Liabilities and Provisions	25,58,278	(53,04,487)
Decrease / (Increase) in Trade Receivables	(40,61,547)	25,98,203
Decrease / (Increase) in Stock for Trade	(2,13,09,331)	2,91,11,299
Decrease / (Increase) in Loans and Advances/Other Assets	(8,13,41,562)	(24,72,45,683)
<b>Cash Generated from/(used) Operations</b>	<b>6,74,03,302</b>	<b>(4,18,42,554)</b>
Direct Taxes Paid	(5,23,23,109)	(6,08,43,420)
<b>Net Cash (Used in)/Generated from Operating Activities</b>	<b>a 1,50,80,193</b>	<b>(10,26,85,974)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(15,85,702)	(1,06,49,847)
(Increase) / Decrease in Investments	(2,96,00,000)	2,23,63,470
Dividend Income on Long Term Investments	8,38,540	—
Interest Income from Security Deposit/Bonds	11,34,390	11,27,962
<b>Net Cash (Used)/ Generated in Investing Activities</b>	<b>b (2,92,12,772)</b>	<b>1,28,41,585</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase / (Decrease) in Unsecured Short-Term Borrowings	(17,56,938)	—
Increase / (Decrease) in Long-Term Borrowings	2,28,89,226	2,09,22,447
Proceeds from Short-Term Borrowings	(79,65,406)	—
Interim Dividend Paid	(1,14,42,276)	—
<b>Net Cash (Used)/ Generated in Financing Activities</b>	<b>c 17,24,606</b>	<b>2,09,22,447</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>a+b+c (1,24,07,973)</b>	<b>(6,89,21,942)</b>
Cash & Cash Equivalents at the beginning of the year	3,87,75,405	11,01,58,937
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,63,67,432</b>	<b>4,12,36,995</b>

### Explanations:

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 (AS 3) 'Cash Flow Statements' notified by the Central Government under Companies (Accounting Standards) Rules, 2006.

2. Previous year's figures have been regrouped/ reclassified wherever necessary to conform to the current year's classification.

This is the Cash Flow Statement referred to in our report of even date

For **Das & Prasad**

Chartered Accountants

(Firm's Registration No. 303054E)

For and on behalf of the Board of Directors

Sd/-

**Anil Kumar Agarwal**

(Partner)

(Membership No. 062368)

Sd/-

**Udai Kothari**

(Chairman & Managing Director)

(DIN:- 00284256)

Sd/-

**Deepak Kothari**

(Executive Director)

(DIN:- 00280323)

Place: Kolkata

Date: 29th May, 2019

Sd/-

**CA Alok Banerjee**

(Chief Financial Officer)

Sd/-

**Amrita Mohta Kothari**

(Company Secretary)

## Significant Accounting Policies and Notes to the Consolidated Financial Statements

### 1. Significant Accounting Policies

#### 1.1 Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards ('AS') specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act as applicable. Further, the Company follows the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ('NBFC'). The financial statements have been prepared under the historical cost convention, on accrual basis. The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.

#### 1.2 Use of estimates

The preparation of consolidated financial statements requires the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and the estimates are recognised in the periods in which the results are known / materialised. Any revision to the accounting estimates are recognised prospectively in the current and future years.

#### 1.3 Principles of Consolidation

U. Y. Fincorp Limited (Formerly Known as Golden Goenka Fincorp Limited) (the Holding Company, hereinafter referred to as "the Company"), its subsidiaries and associate are collectively referred to as 'the Group'. The Consolidated Financial Statements of the Group have been prepared in accordance with Accounting Standard 21 (AS-21) "Consolidated Financial Statements" and Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Holding Company and its subsidiary company has been combined on line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- Uniform accounting policies for like transactions and other events in similar circumstances have been adopted and presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.
- The excess of cost of the Holding Company of its investment in the subsidiary over the Holding Company's portion of equity of the subsidiary as at the date of investment is recognised in the consolidated financial statements as Goodwill. It is tested for impairment on a periodic basis and written-off if found impaired.
- The excess of Holding Company's portion of equity of the Subsidiary, over cost as at the date of investment, is treated as Capital Reserve.
- Investment in associate is accounted using the equity method and disclosed separately in the Consolidated Balance Sheet.

#### 1.4 Property, Plant & Equipments Depreciation/Amortisation and Impairment

##### a) Property, Plant & Equipments

Tangible Assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which take substantial period of time to get ready for their intended use, are also capitalised to the extent they relate to the period till such assets are ready to put to use.

Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortisation and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use. Any technology

## Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

support cost or annual maintenance cost for such software is charged to the Statement of Profit or Loss.

### b) Depreciation/Amortisation

Depreciation/Amortisation is provided under straight line method at the rates determined based on the useful lives of the respective assets and residual values in accordance with Schedule II of the Companies Act, 2013.

Tangible Asset costing upto ₹ 5,000/- are depreciated fully over a period of 12 months from the date of purchase.

### c) Impairment

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment, based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

## 1.5 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments in accordance with the RBI guidelines and Accounting Standard 13 on 'Accounting for Investments' as notified under the Companies (Accounting Standards) Rules, 2006. Current investments also include current maturities of long-term investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and market price determined category-wise. All non-current investments including investments in Subsidiary Companies are carried at cost. However, provision for diminution in value, other than temporary in nature, is made to recognise a decline, on an individual basis.

Cost is arrived at on weighted average method for the purpose of valuation of investments.

## 1.6 Stock for Trade

Stock for Trade is carried at lower of cost and market price, determined category-wise.

## 1.7 Loan Assets

Loan Assets include loans advanced by the Company, secured by collateral offered by the customers, if applicable.

Loan assets are carried at net investment amount including installments fallen due and are net of unmaturing / unearned finance charges, amounts received, assets not paid for, etc.

## 1.8 Provisioning / Write-off of assets

The Company makes provision for Standard and Non-Performing Assets as per the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, as amended from time to time. The Company also makes additional provision towards loan assets, to the extent considered necessary, based on the management's best estimate. Provision for other financial services is also made on similar basis.

## 1.9 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- Revenue from sale of Stock for Trade (shares/securities, commodities and mutual fund) is recognised when a binding obligation has been entered into.
- Income from Loan Assets is recognised in the Statement of Profit and Loss on accrual basis as per the term and condition of the loan agreement, except in the case of non-performing assets where it is recognised, upon realisation, as per the Prudential Norms / Directions of the RBI, applicable to NBFC.

## Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

- c) Profit/loss from derivative instrument (future and options) are recognised on a marked to market basis.
- d) Dividend income is recognised when the right to receive the dividend is established.
- e) Profit or Loss on sale of investments is recognised when a binding obligation has been entered into.
- f) Interest is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.
- g) All other income is accounted for on accrual basis.

### 1.10 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed separately.

### 1.11 Retirement and Other Employee Benefits

#### a) Gratuity

Liability for gratuity, which is a defined benefit scheme, is provided for based on an actuarial valuation carried out as at the balance sheet date. The Company has taken a policy administered by Life Insurance Corporation of India. Actuarial gains/losses are charged to the Statement of Profit and Loss and are not deferred.

#### b) Compensated Absences

Short term compensated expenses are charged to the Statement of Profit and Loss in the year in which the related service is rendered.

#### c) Provident Fund and Employee State Insurance

The provision of Employees' Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and Employee State Insurance is not applicable to the Company as the number of employees were less than 20 during the year and at year end.

### 1.12 Borrowing Costs

Borrowing costs relating to the acquisition / construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

The ancillary costs incurred in connection with the arrangement of borrowings are amortised over the life of underlying borrowings. Premium payable on redemption of debentures is amortised over the tenure of the debentures. These form part of the borrowing costs.

Borrowing costs also include exchange differences arising from Foreign currency borrowings, to the extent they are regarded as an adjustment to the borrowing costs.

All other costs related to borrowings are recognised as expense in the period in which they are incurred.

### 1.13 Segment Reporting

Based on the risks and returns associated with business operations and in terms of Accounting Standard-17 (Segment Reporting), the Group is predominantly engaged in 'Financing and Related Services' as primary reportable segments.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Fixed assets used in the Group's business have not been identified to any of the reportable segments, as the fixed assets are used interchangeably between segments.

## Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

### 1.14 Leases

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset, are classified as operating leases. Operating lease payments are recognised on a straight-line basis over the lease term.

### 1.15 Earnings Per Share (EPS)

Basic EPS 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 year.

For the purpose of calculating diluted EPS, 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.

### 1.16 Cash and Cash Equivalents

Cash and cash equivalents in the Cash Flow Statement comprises of cash on hand, cash at bank, demand deposits with banks, cheques on hand, remittances in transit and short-term highly liquid investments with an original maturity of three months or less.

### 1.17 Taxes on Income

Tax expense comprises of current tax [(net of Minimum Alternate Tax (MAT) credit entitlement)] and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities. The deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised 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. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 1.18 Provision, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes to financial statements. Contingent Assets are neither recognised nor disclosed in the consolidated financial statements.

## Notes to Consolidated Financial Statements (Contd.)

### 2. Share Capital

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Authorised</b>		
Equity Shares, ₹ 5/- par value per share	1,00,00,00,000	1,00,00,00,000
20,00,00,000 (Previous year: 20,00,00,000), Equity Shares	<b>1,00,00,00,000</b>	<b>1,00,00,00,000</b>
<b>Issued</b>		
Equity Shares, ₹ 5/- par value per share	96,60,05,600	96,60,05,600
19,32,01,120 (Previous year: 19,32,01,120), Equity Shares	<b>96,60,05,600</b>	<b>96,60,05,600</b>
<b>Subscribed and Fully Paid-up</b>		
Equity Shares, ₹ 5/- par value per share	95,11,91,645	95,11,91,645
19,02,38,329 (Previous year: 19,02,38,329), Equity Shares	<b>95,11,91,645</b>	<b>95,11,91,645</b>

#### (a) Reconciliation of Equity Shares outstanding:

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31st March 2019		As at 31st March 2018	
	No. of shares	(Amount in ₹)	No. of shares	(Amount in ₹)
At the beginning of the financial year	19,02,38,329	95,11,91,645	19,02,38,329	95,11,91,645
Changes during the financial year	-	-	-	-
At the end of the financial year	<b>19,02,38,329</b>	<b>95,11,91,645</b>	<b>19,02,38,329</b>	<b>95,11,91,645</b>

#### (b) Rights, preferences and restrictions in respect of each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company's authorised capital consist of one class of shares, referred to as equity shares, having par value of ₹ 5/- each. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Shareholders holding more than 5% equity shares each, are set out below :

Name of the Shareholders	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Mr. Udai Kothari	3,34,83,699	17.60%	3,34,83,699	17.60%
Mr. Deepak Kothari	3,34,40,499	17.58%	3,34,40,499	17.58%
Lotus Capital Financial Services Limited	3,70,46,208	19.47%	2,86,61,056	15.07%
Strong Dealtrade Private Limited	-	0.00%	1,61,00,000	8.46%
U.Y. Industries Private Limited	1,10,00,000	5.78%	1,10,00,000	5.78%

## Notes to Consolidated Financial Statements (Contd.)

### 3. Reserves and Surplus

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Capital Reserve</b>		
Opening Balance	3,03,59,534	3,03,59,534
Closing Balance	<b>3,03,59,534</b>	<b>3,03,59,534</b>
<b>Securities Premium Reserve</b>		
Opening Balance	1,11,14,76,045	1,11,14,76,045
Add: Addition during the year	-	-
Closing Balance	<b>1,11,14,76,045</b>	<b>1,11,14,76,045</b>
<b>Special Reserve [Reserve Fund as per Section 45-IC of Reserve Bank of India Act, 1934]</b>		
Opening Balance	8,18,34,425	5,86,38,656
Add: Transfer from Surplus in the Statement of Profit and Loss	1,62,74,953	2,31,95,769
Less: Special Reserve excess transferred in earlier years	7,91,045	-
Closing Balance	<b>9,73,18,333</b>	<b>8,18,34,425</b>
<b>General Reserve</b>		
Opening Balance	3,72,892	3,72,892
Closing Balance	<b>3,72,892</b>	<b>3,72,892</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	27,89,00,948	18,61,17,872
Add: Net Profit for the year	8,51,08,130	11,59,78,845
Add: Special Reserve excess transferred in earlier years	7,91,045	-
Add: Proportionate Reserve of Previous Subsidiaries	74,458	-
Amount available for appropriation	<b>36,48,74,581</b>	<b>30,20,96,717</b>
<b>Appropriations:</b>		
Interim Dividend	95,11,916	-
Corporate Dividend Tax on Interim Dividend	19,30,360	-
Special Reserve	1,62,74,953	2,31,95,769
Closing Balance	<b>33,71,57,352</b>	<b>27,89,00,948</b>
<b>Total Reserves and Surplus</b>	<b>1,57,66,84,156</b>	<b>1,50,29,43,844</b>

### 4A. Long-Term Loans

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Secured Loans		
-Loan from ICICI Bank	2,47,11,673	38,22,447
Unsecured Loans		
-Loans and advances from Others	20,00,000	1,71,00,000
<b>Total</b>	<b>2,67,11,673</b>	<b>2,09,22,447</b>

## Notes to Consolidated Financial Statements (Contd.)

### 4B. Long-Term Provisions

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits (Non Current Portion)		
-Gratuity	(9,451)	2,50,125
Others		
Contingent Provisions against Standard Assets	44,78,604	44,76,521
Provisions for Non-Performing Assets	4,76,20,519	2,58,64,242
<b>Total</b>	<b>5,20,89,672</b>	<b>3,05,90,888</b>

### 5. Trade Payable

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	83,36,185	46,15,662
<b>Total</b>	<b>83,36,185</b>	<b>46,15,662</b>

### 6. Other Current Liabilities - Others

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Unclaimed Dividend	2,75,625	1,20,290
Other payables		
-Liability for Expenses	18,84,030	40,89,066
-Statutory Liabilities	7,16,935	4,94,112
Others	14,42,443	3,86,200
<b>Total</b>	<b>43,19,033</b>	<b>50,89,668</b>

## Notes to Consolidated Financial Statements (Contd.)

### 7. Property, Plant & Equipments

(Amount in ₹)

Particulars	Tangible Assets								Intangible Assets		
	Land-Freehold	Flat	Office Premises	Air-conditioner	Office Equipment	Furniture and Fixtures	Motor Vehicles	Computers	Total	Goodwill @	Total
Gross Block											
At April 1, 2017	11,89,000	1,39,89,581	85,44,041	1,27,267	14,85,422	10,95,015	-	51,89,398	3,16,19,724	1,64,187	3,17,83,911
Additions/Adjustments	-	18,17,212	-	1,23,924	5,15,762	16,79,847	61,81,267	4,82,665	1,08,00,677	-	1,08,00,677
Disposals/Adjustments	-	-	-	1,27,267	4,16,093	35,400	-	11,59,566	17,38,326	-	17,38,326
At March 31, 2018	11,89,000	1,58,06,793	85,44,041	1,23,924	15,85,091	27,39,462	61,81,267	45,12,497	4,06,82,075	1,64,187	4,08,46,262
Additions/Adjustment	-	-	-	-	3,81,319	-	11,18,583	85,800	15,85,702	-	15,85,702
Disposals/Adjustments	-	1,58,06,793	-	-	-	-	-	48,500	1,58,55,293	1,64,187	1,60,19,480
At March 31, 2019	11,89,000	-	85,44,041	1,23,924	19,66,410	27,39,462	72,99,850	45,49,797	2,64,12,484	-	2,64,12,484
Depreciation											
At April 1, 2017	-	-	2,81,310	1,16,916	10,60,655	9,26,203	-	44,48,003	68,33,087	-	68,33,087
Charge for the year	-	-	7,82,945	11,979	1,69,273	1,98,110	4,40,320	3,31,079	19,33,706	-	19,33,706
Disposals/Adjustments	-	-	-	1,18,261	3,52,007	35,400	-	10,81,828	15,87,496	-	15,87,496
At March 31, 2018	-	-	10,64,255	10,634	8,77,921	10,88,913	4,40,320	36,97,254	71,79,297	-	71,79,297
Charge for the year	-	-	7,10,582	29,327	3,19,643	4,59,459	9,52,549	5,15,562	29,87,122	-	29,87,122
Disposals/Adjustments	-	-	-	-	-	-	-	46,075	46,075	-	46,075
At March 31, 2019	-	-	17,74,837	39,961	11,97,564	15,48,372	13,92,869	41,66,741	1,01,20,344	-	1,01,20,344
Net Block											
At March 31, 2018	11,89,000	1,58,06,793	74,79,786	1,13,290	7,07,170	16,50,549	57,40,947	8,15,243	3,35,02,778	1,64,187	3,36,66,965
At March 31, 2019	11,89,000	-	67,69,204	83,963	7,68,846	11,91,090	59,06,981	3,83,056	1,62,92,140	-	1,62,92,140

@ Goodwill arising on consolidation of subsidiaries

None of the Company's Property, Plant & Equipments are considered impaired as on the Balance Sheet date.

## Notes to Consolidated Financial Statements (Contd.)

### 8. Deferred Tax Assets (Net)

In terms of Accounting Standard 22, the Deferred Tax Assets (DTA) recognised during the year is ₹ 89,05,639 (Previous year: ₹ 49,23,922) and the Deferred Tax Liabilities recognised during the year is ₹ Nil (Previous year: ₹ Nil). Consequently, the net DTA as at 31st March, 2019 stands at ₹ 89,05,639 (Previous year: ₹ 49,23,922).

Deferred taxes comprises the following:

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Deferred Tax Assets</b>		
Depreciation on Fixed asset	4,73,270	(17,874)
Others	84,32,369	49,41,154
<b>Total</b>	<b>89,05,639</b>	<b>49,23,280</b>

### 9. Non-Current Investments

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
In Equity instruments - Unquoted	21,61,00,000	20,19,00,000
In Equity instruments - Quoted#	1,73,47,562	1,73,47,562
<b>Total</b>	<b>23,34,47,562</b>	<b>21,92,47,562</b>
Aggregate amount of quoted non-current investments	1,73,47,562	1,73,47,562
Aggregate market value of quoted non-current investments	13,85,000	14,60,050
Aggregate amount of unquoted non-current investments	21,59,47,562	21,92,47,562
Aggregate provision for diminution in the value of non-current investments	1,75,00,000	-

All Investments mentioned above are fully paid-up.

# Quoted Non Current investments include 13,85,000 equity shares of Aqua Logistics Limited of face value of ₹ 1/- each amounting to ₹ 1,57,34,147. The Hon'ble Bombay High Court has ordered Aqua Logistics Ltd. vide its order dated November 12, 2013 to wound up and the official Liquidator has been appointed with usual powers under the Companies Act, 1956 after it heard a winding up petition by one of Aqua's client to recover dues of \$1,41,000 from the Company. The Networth of the Company as on 31st March, 2012 is ₹ 52,155.71 lakhs. The management is of the view that it will recover the Investment amount and provision for diminution in value of investment, if any will be provided upon final liquidation of the company.

### 10. Loan Assets

(Amount in ₹)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Long Term		Short-Term	Long Term		Short-Term
	Non-Current Maturities	Current Maturities		Non-Current Maturities	Current Maturities	
<b>Considered good, unless otherwise stated</b>						
<b>Secured</b>						
Loan to Others						
- Two-Wheeler Loans	-	2,15,541	-	-	2,15,541	-
- Others	-	-	-	-	-	-
<b>Unsecured</b>						
Loan to related parties [Refer Note 32]	-	-	1,12,81,00,000	-	-	90,49,00,000
Loan to Others	-	-	89,42,91,729	-	-	1,03,27,58,219
<b>Total</b>	<b>-</b>	<b>2,15,541</b>	<b>2,02,23,91,729</b>	<b>-</b>	<b>2,15,541</b>	<b>1,93,76,58,219</b>

## Notes to Consolidated Financial Statements (Contd.)

### 11. Other Long-Term Advances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Considered Good, unless otherwise stated</b>		
<b>Unsecured</b>		
Capital Advances	65,00,000	68,76,947
Security Deposits	3,06,47,543	2,24,25,500
<b>Total</b>	<b>3,71,47,543</b>	<b>2,93,02,447</b>

**Note:**

- (a) Advances for Capital Assets of ₹ 65,00,000 constitutes amount paid to Neeraj Apartments and Investment Pvt Ltd against purchase of a flat. However, ownership of the flat has not been transferred to the Company till date. The Company is taking necessary steps to recover the same.

### 12. Stock for Trade

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Stock for Trade	9,95,45,430	7,82,36,099
<b>Total</b>	<b>9,95,45,430</b>	<b>7,82,36,099</b>

### 13. Trade Receivables

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, considered good</b>		
Outstanding for more than six months	1,00,000	1,00,000
Other Debts	73,60,224	32,98,677
<b>Total</b>	<b>74,60,224</b>	<b>33,98,677</b>

### 14. Cash and Bank Balances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Cash and Cash Equivalents:</b>		
Cash on Hand	5,52,865	37,14,742
Balances with Banks		
-In Current Account	2,56,94,277	3,74,01,963
-In Unclaimed Dividend Account	2,75,625	1,20,290
<b>(A)</b>	<b>2,65,22,767</b>	<b>4,12,36,995</b>
<b>Other Bank Balance:</b>		
Fixed Deposit with bank (having balance maturity of more than 12 months) [Refer note (a) herein below]	1,68,75,000	1,68,75,000
<b>(B)</b>	<b>1,68,75,000</b>	<b>1,68,75,000</b>
<b>Total (A+B)</b>	<b>4,33,97,767</b>	<b>5,81,11,995</b>

**Note:**

- (a) The fixed deposit receipt is pledged with Stock Exchange as security amounting to ₹ 1,68,75,000 (Previous year ₹ 1,68,75,000) for availing bank guarantee/overdraft facility.

## Notes to Consolidated Financial Statements (Contd.)

### 15. Other Short-Term Advances

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, Considered good</b>		
Interest accrued and due on Loans	9,65,81,246	10,56,09,252
Other loans and advances		
- Other advances	7,55,887	89,197
- Amount Recoverable from Stock Exchange	73,130	1,80,371
- Input Tax Credit (Goods & Service Tax)	11,58,648	2,05,250
- Prepaid Expenses	2,37,799	12,16,239
- Advance Tax (net of provision for tax)	2,61,88,697	2,27,77,621
<b>Total</b>	<b>12,49,95,407</b>	<b>13,00,77,930</b>

### 16. Other Current Assets

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Interest accrued but not due	2,52,08,671	2,01,91,449
Gratuity Fund	-	-
Interest accrued but not due on Fixed Deposit	3,24,711	3,23,989
<b>Total</b>	<b>2,55,33,382</b>	<b>2,05,15,439</b>

### 17. Revenue From Operations

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Sale of Stock for Trade	18,96,46,342	19,82,32,153
Income from Loans	19,96,75,689	19,07,44,266
Other Financial Services	6,90,948	5,51,861
Interest received from others	11,34,390	11,55,397
Demat Charges Received	17,36,335	9,42,699
Income from Brokerage and Commission	32,43,285	59,60,020
<b>Total</b>	<b>39,61,26,989</b>	<b>39,75,86,396</b>

### 18. Other Income

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Dividend Income From Long-Term Investment	8,38,540	11,27,962
Dividend Income from Stock for Trade	-	-
Interest on Income Tax Refund	-	31,083
Income from sale of Investment	-	10,87,490
<b>Total</b>	<b>8,38,540</b>	<b>22,46,535</b>

### 19. Employee Benefits Expense

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Salaries, Allowances and Bonus	1,82,24,986	1,23,43,463
Contribution to Provident and Other Funds	6,250	2,65,826
Staff Welfare Expenses	9,16,039	3,55,716
<b>Total</b>	<b>1,91,47,275</b>	<b>1,29,65,005</b>

## Notes to Consolidated Financial Statements (Contd.)

### 20. Finance Cost

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>Interest Expense</b>		
Other Interest	17,60,492	94,373
<b>Total</b>	<b>17,60,492</b>	<b>94,373</b>

### 21. Other Expenses

(Amount in ₹)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Advertisement, Publicity & Sales Promotion	1,01,73,990	17,88,811
Capital & Commodity Market Expenses	11,85,319	9,86,822
Commission	-	9,40,000
Communication Expenses	3,05,688	2,05,562
Corporate Compliance Fees	5,77,110	6,38,519
CSR Policy Exp	31,00,000	29,00,000
Directors' Sitting Fees	1,58,120	72,530
Donation	1,42,50,000	1,02,29,460
Electricity Charges	2,78,958	3,76,859
Fees & Subscription	18,583	3,94,237
Insurance	1,97,663	1,98,798
Legal & Professional Fees	15,29,678	28,86,340
Loss on Sale of Fixed Assets	14,70,000	-
Loss on Sale of Investment	-	1,50,830
Miscellaneous Expenses	3,48,22,223	1,55,47,071
Motor Car Expenses	1,43,513	17,935
Printing and Stationery	14,08,103	5,41,374
Rates and Taxes	1,95,750	93,718
Rent	10,10,461	15,87,192
Repair and Maintenance		
-Computers	54,920	62,930
-Others	1,56,350	2,06,521
Provision for diminution in value of Investments	1,75,00,000	-
Auditors' Remuneration	2,70,260	2,23,050
Travelling and Conveyance	30,25,202	49,33,825
<b>Total</b>	<b>9,18,31,892</b>	<b>4,49,82,385</b>

22. In accordance with Accounting Standard 21 "Consolidated Financial Statements" notified by Central Government under Companies (Accounting Standards) Rules, 2006, the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and all its subsidiaries which are more than 50% owned and controlled. Enterprises over which the Company exercises significant influence are considered for preparation of the Consolidated Financial Statements as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

## Notes to Consolidated Financial Statements (Contd.)

23. The details of subsidiaries and associates are as follows:-

Name of the Company	Country of Incorporation	% Holding as at 31st March, 2019	% Holding as at 31st March, 2018
<b>Subsidiaries</b>			
Golden Goenka Financial Advisors Limited	India	Nil	100%
Golden Goenka Management Consultancy Services Limited	India	Nil	100%
Golden Goenka Properties & Construction Private Limited	India	Nil	100%
Aristro Capital Markets Limited	India	100%	100%
Goodpoint Conclave Limited	India	Nil	100%
Linkwise Promoters Private Limited	India	Nil	100%
<b>Associates</b>			
Purple Advertising Services Private Limited [Refer note (a) herein below]	India	33.33%	33.33%

Note: (a) Financials of the said company could not be completed and hence same has not been considered for consolidation purpose.

### 24. Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
I. Contingent Liabilities -Bank Guarantee*	-	-
Guarantee in favor of a bank against facilities granted to		
• Others	-	3,00,00,00,000
II Commitments		
Estimated amount of capital contracts remaining to be executed and not provided for (Net of advances)	-	-

\* The Corporate Guarantee given by the Company to secure the term Loan of ₹ 300 Crores granted to M/s Shalimar Lakecity Pvt Ltd (SLPL) (Formerly known as M/s ANS Developers Pvt Ltd) by Syndicate Bank, MID Corporate Branch has been paid off in full and final by the SLPL. Furthermore the company has received the No Objection Certificate dated 17th May, 2018 from the bank regarding the satisfaction of charge so created by the company against the Corporate Guarantee. The company had filed the satisfaction of charge with ROC, Kolkata and the same was approved by them.

Aristro Capital Markets Limited has contingent liabilities in respect of income tax matters of ₹ 10,49,27,670/- (Previous Year ₹. Nil)

### 25. Earnings per Equity Share

Particulars	2018 -19	2017 -18
<b>Profit After Tax attributable to Equity Shareholders (₹)</b>	<b>8,51,08,129</b>	<b>11,59,78,845</b>
Weighted average number of Equity Shares (Basic)	19,02,38,329	19,02,38,329
Weighted average number of Potential Equity Shares	-	-
Weighted average number of Equity Shares (Diluted)	19,02,38,329	19,02,38,329
Nominal Value of Equity per share (₹)	5	5
<b>Earnings per share (₹) - Basic</b>	<b>0.45</b>	<b>0.61</b>
<b>Earnings per share (₹) - Diluted</b>	<b>0.45</b>	<b>0.61</b>

26. 'Financing and Related Services' is the only main business segment and 'Stock Broking Services' operations are less than 10% of the total revenue. Further there is a single geographical segment. Hence, there is no requirement of segment reporting for the company as per Accounting Standard-17 (Segment Reporting).

## Notes to Consolidated Financial Statements (Contd.)

### 27. Related Party Disclosures

#### A. Related Parties:

i. Associates	:	Purple Advertising Services Private Limited.
ii. Enterprises significantly influenced by Key management personnel or their relatives	:	Brihans Laboratories Private Limited.
	:	Brima Sagar Maharashtra Distilleries Limited.
	:	Quality Laminators.
	:	R. K. Products & Co.
	:	Sarvatra Technologies Private Limited.
	:	U.Y. Aviation Private Limited.
	:	Zircon Traders Limited.
	:	U.Y. Industries Private Limited.
	:	Golden Goenka Credit Private Limited.
	:	Girdhar Fiscal Services Private Limited.
	:	Golden Goenka Commerce Private Limited.

#### B. Key Management Personnel :

Managing Director	:	Mr. Udai Kothari
Executive Director	:	Mr. Deepak Kothari
	:	Mr. Dinesh Burman
Chief Financial Officer	:	Mr. Alok Banerjee (w.e.f. 1st November, 2018)
	:	Mr. Ayush Agrawal (upto 10th September, 2018)
Company Secretary	:	Mrs. Amrita Mohta Kothari
Director	:	Mr. Girdhari Lal Goenka
	:	Mr. Bal Kishan Gourisaria
	:	Mr. Vinay Kumar Goenka

#### C. Relative of Key Management Personnel

:	Mrs. Raj Goenka
:	Mr. Rajeev Goenka
:	Ms. Nikita Goenka
:	Mrs. Puja Goenka

## Notes to Consolidated Financial Statements (Contd.)

The following is the summary of transactions with related parties:

(Amount in ₹)

Name of related party	Nature of transactions and outstanding balances	2018-19	2017-18
<b>Enterprises significantly influenced by Key management personnel or their relatives :</b>			
Brihans Laboratories Private Limited	Loan Given	2,00,00,000	9,15,00,000
	Loan Repaid	50,00,000	-
	Balance Receivable: Loans	25,57,15,500	23,32,08,995
	Interest Income	2,57,94,999	1,74,54,349
	Investment in Shares	-	50,00,000
	Closing Balance of: Investment in Shares	50,00,000	50,00,000
Brima Sagar Maharashtra Distilleries Limited	Loan Given	7,60,00,000	-
	Loan Repaid	3,55,00,000	-
	Balance Receivable: Loans	25,61,88,783	24,31,58,505
	Interest Income	2,57,65,314	2,11,75,000
	Investment in Shares	4,02,00,000	-
	Closing Balance of: Investment in Shares	4,02,00,000	-
Quality Laminators	Loan Given	-	1,00,00,000
	Loan Repaid	-	-
	Balance Receivable: Loans	2,19,79,999	2,17,92,848
	Interest Income	22,03,223	20,04,657
R. K. Products & Co.	Loan Given	16,40,00,000	2,00,00,000
	Loan Repaid	30,00,000	-
	Balance Receivable: Loans	19,74,54,071	2,19,20,328
	Interest Income	1,82,82,302	21,33,698
Sarvatra Technologies Private Limited	Loan Given	-	1,50,00,000
	Loan Repaid	1,00,00,000	-
	Balance Receivable: Loans	50,52,891	1,50,00,000
	Interest Income	15,26,610	6,57,122
U.Y. Aviation Private Limited	Loan Given	8,91,00,000	14,35,00,000
	Loan Repaid	22,00,00,000	7,05,00,000
	Balance Receivable: Loans	9,18,57,814	22,29,49,798
	Interest Income	55,92,700	1,83,53,425
Zircon Traders Limited	Loan Given	7,25,00,000	6,10,00,000
	Loan Repaid	6,10,00,000	-
	Balance Receivable: Loans	25,38,60,537	23,97,03,678
	Interest Income	2,37,33,930	2,07,81,865
U.Y. Industries Private Limited	Rent Paid	5,70,461	-
	Interest on Security Deposit	7,555	-

## Notes to Consolidated Financial Statements (Contd.)

<b>Enterprises significantly influenced by Key management personnel or their relatives :</b>			
Golden Goenka Credit Private Limited	Brokerage Income	6,29,618	20,94,412
Girdhar Fiscal Services Private Limited	Brokerage Income	7,34,836	12,57,829
Golden Goenka Commerce Private Limited	Brokerage Income	1,42,016	2,76,369
<b>Ke Management Personnel</b>			
Mr. Udai Kothari	Managerial Remuneration	48,00,000	25,32,916
	Loan Given	3,50,00,000	-
	Loan Repaid	-	-
	Balance Receivable: Loans	3,71,76,795	-
	Interest Income	21,76,795	-
Mr. Deepak Kothari	Managerial Remuneration	24,00,000	12,66,250
Mr. Girdhari Lal Goenka	Managerial Remuneration	10,00,000	10,20,000
	Brokerage Income	3,859	42,568
Mr. Dinesh Burman	Managerial Remuneration	3,06,000	3,06,000
Mr. Alok Banerjee	Remuneration	5,00,000	-
Mr. Ayush Agrawal	Remuneration	6,11,291	11,18,443
Mrs. Amrita Mohta Kothari	Remuneration	8,25,500	7,06,576
<b>Relative of Ke Management Personnel:</b>			
Mrs. Raj Goenka	Rent	-	13,992
	Brokerage Income	11,655	64,979
Mr. Rajeev Goenka	Brokerage Income	10,014	38,909
Ms. Nikita Goenka	Brokerage Income	8,086	29,331
Mrs. Puja Goenka	Remuneration	3,35,000	3,00,000
	Brokerage Income	190	2,382

**Note:-** Related parties as defined under clause 3 of the Accounting Standard-18- 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. Accordingly, disclosure have been made in respective notes to financial statements as required by Schedule III to Companies Act, 2013.

- 28.** The Board of Directors of the Company at its meeting held on 19th January, 2017 considered and approved the disinvestment of the entire shares of one of its material wholly owned subsidiary viz, Aristro Capital Markets Limited to one or more entities subjected to the Shareholders approval vide Postal Ballot.

## Notes to Consolidated Financial Statements (Contd.)

Further as per the combined Scrutinizer Report on E-voting & Postal Ballot dated 21st March, 2017 issued by Mr. Prateek Kohli, Practicing Company Secretary (CP No 16457), Proprietor of M/s Prateek Kohli & Associates, Company Secretaries, the Scrutinizer, the members of our Company had approved the proposal of disinvestment of the M/s Aristro Capital Markets Limited to one or more entities. The transaction for sale of shares is pending for regulatory approvals. Pending such approval, the effect of the transaction has not been reflected.

Till such transfer of shares takes place M/s Aristro Capital Markets Limited continues to be wholly owned subsidiary of the company.

29. The Company and M/s Golden Goenka Credit Private Limited (Formerly known as Risewell Credit Private Limited) had made an investment in M/s Purple Advertising Services Private Limited (the "Associate") during the year 2012-13 and 2013-14 and as a result M/s Purple Advertising Services Private Limited became the Associate of the Company from year 2013-14. As per the terms of agreement for investment, the Associate Company had agreed to issue a specified number of its equity shares in lieu of investments made. However, the requisite numbers of shares were not issued. Consequently, the agreement was cancelled and a money suit was filed in the Hon'ble Calcutta High Court against the Associate Company.
30. The Company has not received any memorandum from 'Suppliers' (as required to be filed by the 'Suppliers' with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2019 as micro, small or medium enterprises. Consequently, the amount paid / payable to these parties during the year is ₹ Nil (Previous year: ₹ Nil).
31. During the year, the name of the company has been changed from "Golden Goenka Fincorp Ltd" to U. Y. Fincorp Ltd" with effect from 10th December, 2018 pursuant to issue of fresh Certificate of Incorporation dated 10th December, 2018 by Registrar of Companies, Kolkata.
32. During the year under review, the Company had disposed all the equity stake in the following wholly owned subsidiary companies namely:-
  - a) Golden Goenka Financial Advisors Limited.
  - b) Golden Goenka Management Consultancy Services Limited.
  - c) Golden Goenka Properties & Construction Private Limited.
  - d) Goodpoint Conclave Limited.
  - e) Linkwise Promoters Private Limited.

Consequent to the said disposal, the aforesaid Companies ceases to be wholly owned subsidiaries of the company w.e.f. 29-09-2018.
33. The shareholder of the company at the 25th Annual General Meeting held on 26.09.2018 had approved the payment of final dividend of ₹ 0.05/- per equity shares (i.e. 1% of the paid up equity share capital) for the year ended 31st March, 2018.

34. Aristro Capital Markets Limited, subsidiary of the company had pledged the following shares with The National Securities Clearing Corporation Ltd. towards Margin Money:

Scrip	2018-19		2017-18	
	Quantity	Book Value (Amount in ₹)	Quantity	Book Value (Amount in ₹)
Central Bank of India Ltd	-	-	25,000	18,08,750
HBL Power System Ltd	3,000	76,800	3,000	1,32,450
Indiabulls Ventures Ltd (partly paid)	-	-	5,858	5,07,888
Indiabulls Ventures Ltd	-	-	25,000	60,97,500
KEC International Limited	-	-	10,000	38,97,500
Larsen & Toubro Ltd	1,425	19,74,053	1,425	18,68,032
Lupin Ltd	-	-	1,000	14,45,200
Mastek Ltd	4,000	17,73,800	5,000	26,52,500
Minda Corporation Ltd	-	-	10,000	17,74,000
Opto Circuits (India) Ltd	-	-	15,000	2,72,400
Sarda Energy Minerals Ltd	-	-	15,000	63,40,500
Suzlon Energy Ltd	37,000	2,27,550	37,000	7,06,700
Welspun India Ltd	50,000	29,82,500	1,00,000	84,75,000

35. Additional information in respect of Net Assets and Profits/ Loss of each entity within the group and their proportionate shares of the totals

Sl. No.	Name of the entity in the	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit & Loss	
		As % of Consolidated Net Assets	Amount ₹	As % of Consolidated Profit & Loss	Amount ₹
1	<b>Parent :</b> U. Y. Fincorp Limited	99.52%	2,51,58,61,018	95.61%	8,13,74,765
2	<b>Subsidiaries :</b> Aristro Capital Markets Limited	0.48%	1,20,14,783	4.39%	37,33,365
3	<b>Associates :</b> Purple Advertising Services Private Limited [Refer note (a) herein below]	-	-	-	-
	<b>Total</b>	100.00%	2,52,78,75,801	100.00%	8,51,08,130

**Note:-** (a) Financials of the said company could not be completed and hence same has not been considered for consolidation purpose.

36. Figures pertaining to the previous year have been rearranged / regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current year.

Signatories to Notes 1 to 36

For **Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

**Sd/-**  
**Anil Kumar Agarwal**  
(Partner)  
(Membership No. 062368)

Place: Kolkata  
Date: 29th May, 2019

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

**Sd/-**  
**Udai Kothari**  
(Chairman & Managing Director)  
(DIN:- 00284256)

**Sd/-**  
**CA Alok Banerjee**  
(Chief Financial Officer)

**Sd/-**  
**Deepak Kothari**  
(Executive Director)  
(DIN:- 00280323)

**Sd/-**  
**Amrita Mohta Kothari**  
(Company Secretary)





*Growth, Wealth, Success*

## *U. Y. Fincorp Limited*

*(Formerly Known as Golden Goenka Fincorp Limited)*

Regd. Off. : 16, Strand Road, 9th Floor, Room No. 908B, Kolkata - 700 001, W.B.

Tel : + 91 33 4603 2315

Email : [contact@uyfincorp.com](mailto:contact@uyfincorp.com), Website : [www.uyfincorp.com](http://www.uyfincorp.com)

### ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE.

Name of the Shareholder(s) (In Block Letters) \_\_\_\_\_

Registered Folio No./DP ID & Client ID No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Name of the Proxy, if any (In Block Letters) \_\_\_\_\_

**I hereby record my/our presence at the 26TH ANNUAL GENERAL MEETING of the Company being held at Manthan (Banquet Hall) at 3, Waterloo Street, Kolkata- 700069 on Wednesday, 25th day of September, 2019 at 11:30 A.M.**

Signature of the Shareholder(s) or Proxy \_\_\_\_\_



*Growth, Wealth, Success*

## *U. Y. Fincorp Limited*

*(Formerly Known as Golden Goenka Fincorp Limited)*

Regd. Off. : 16, Strand Road, 9th Floor, Room No. 908B, Kolkata - 700 001, W.B.

Tel : + 91 33 4603 2315

Email : [contact@uyfincorp.com](mailto:contact@uyfincorp.com), Website : [www.uyfincorp.com](http://www.uyfincorp.com)

### Registration of e-mail address for future communication

Name of the Shareholder(s) (In Block Letters) \_\_\_\_\_

Registered Address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Registered FolioNo/DP ID & Client ID No \_\_\_\_\_

Signature of Shareholder (s) \_\_\_\_\_





Growth, Wealth, Success

## U. Y. Fincorp Limited

(Formerly Known as Golden Goenka Fincorp Limited)

Regd. Off. : 16, Strand Road, 9th Floor, Room No. 908B, Kolkata - 700 001, W.B.

Tel : + 91 33 4603 2315

Email : [contact@uyfincorp.com](mailto:contact@uyfincorp.com), Website : [www.uyfincorp.com](http://www.uyfincorp.com)

### PROXY FORM

#### Form MGT- 11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Shareholder(s) (In Block Letters) \_\_\_\_\_

Registered Address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Registered Folio No./DP ID & Client ID No. \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of **U. Y. Fincorp Limited** hereby appoint:-

(1) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_  
or falling him/her

(2) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_  
or falling him/her

(3) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_  
or falling him/her

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Wednesday, 25th day of September, 2019 at 11:30 A.M. at Manthan (Banquet Hall) at 3, Waterloo Street, Kolkata-700069 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	Special Business
1) Consider and adopt: a) Audited Financial Statements of the Company as on March 31, 2019 including report of Board of Directors and Auditors thereon. b) Audited Consolidated Financial Statements as on that date.	3) Re-appointment of Mrs. Leena Hinesh Jobanputra (DIN: 06975039) as an Independent Director of the Company.
2) Appointment of Mr. Udai Kothari (DIN: 00284256) as Director, who retire by rotation and being eligible, offers himself for re-appointment.	4) Re-appointment of Mr. Govind Kumar Goyal (DIN: 02466348) as as Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

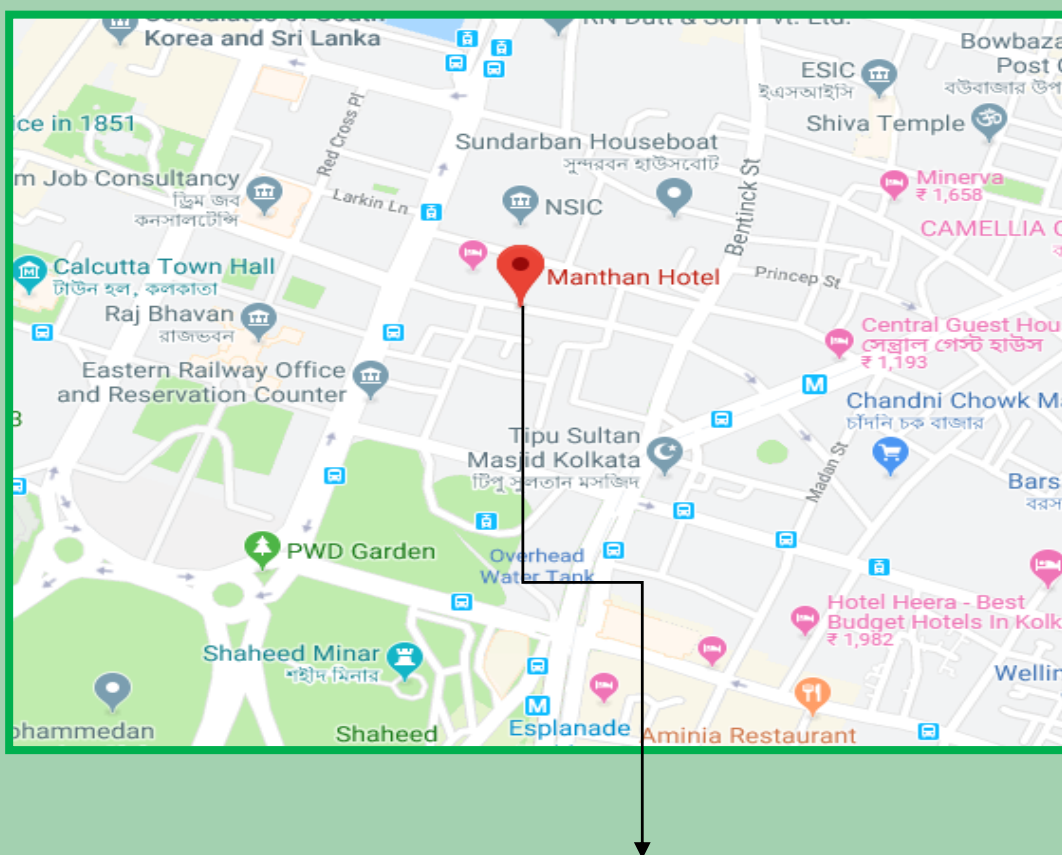
Signature of Shareholder (s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

**Note:** This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 16th Strand Road, 9th Floor, Room No. 908B, Kolkata- 700 001 not less than 48 hours before the commencement of the meeting.

## ROUTE MAP OF AGM VENUE



***Manthan (Banquet Hall) at 3, Waterloo Street, Kolkata - 700069***

### Forward Looking Statement

Statements contained in this Report, may constitute “forward-looking statements”. Forward-looking statements are generally identifiable by the use of the words “may”, “will”, “should”, “plan”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that could cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In addition to these, other important factors that could cause actual results to differ materially from our expectations include international economic and political conditions; changes in laws, regulations and accounting standards; distributor and licensee relationships and actions; effectiveness of spending and marketing programmes; and unusual weather patterns. U. Y. Fincorp Limited does not undertake publically to update or revise any forward looking statement that may be made in this Report, whether as a result of new information, future events or otherwise. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements.



*Growth, Wealth, Success*

## *U. Y. Fincorp Limited*

*(Formerly Known as Golden Goenka Fincorp Limited)*

Regd. Off. : 16, Strand Road, 9th Floor,  
Room No. 908B, Kolkata - 700 001, W.B.

Tel : + 91 33 4603 2315

Email : [contact@uyfincorp.com](mailto:contact@uyfincorp.com)

Website : [www.uyfincorp.com](http://www.uyfincorp.com)