

SARASWATI COMMERCIAL (INDIA) LTD.

Regd. Off.: 209 - 210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400 021.
Telephone : 6670 8600 Fax : 6670 8650 CIN : L51909MH1983PLC166605

Email: saraswati.investor@gcvl.in
Website: www.saraswaticommercial.com

29th September, 2017

To,
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

Ref: Scrip code: 512020

Dear Sirs,

Sub: Annual Report 2016-2017

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2016-2017 approved and adopted by the members at the 34th Annual General Meeting of the Company held on Thursday, 28th September, 2017 at 04.30 p.m. at Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001.

This is for your information and records.

Thanking you

Yours faithfully,

For **SARASWATI COMMERCIAL (INDIA) LIMITED**



AVANI SANGHAVI
COMPANY SECRETARY & COMPLIANCE OFFICER





**SARASWATI
COMMERCIAL (INDIA)
LIMITED**

**34TH ANNUAL REPORT
2016 - 2017**



CORPORATE INFORMATION**BOARD OF DIRECTORS AS ON 31ST MARCH, 2017**

| | |
|--------------------------|------------------------|
| Mr. Harisingh Shyamsukha | Non-Executive Director |
| Mr. Anilkumar Rajan* | Non-Executive Director |
| Mr. V V Sureshkumar* | Non-Executive Director |
| Ms. Babita Thakar | Independent Director |
| Mr. Ketan Desai | Independent Director |

(Mr. V V Sureshkumar was appointed w.e.f. 14.08.2017 & Mr. Anilkumar Rajan resigned w.e.f. 10.08.2017)

BANKERS

HDFC Bank Limited
Kotak Mahindra Bank Limited
Credit Agricole Corporate & Investment Bank

REGISTERED OFFICE

209-210 Arcadia Building,
2nd Floor, Plot No. 195,
Nariman Point, Mumbai – 400021
Tele. : 022-66708600, Fax: 022-66708650

BOARD COMMITTEES**Audit Committee**

Ms. Babita Thakar- (Chairperson)
Mr. Harisingh Shyamsukha
Mr. Ketan Desai

Stakeholder Relationship Committee

Ms. Babita Thakar- (Chairperson)
Mr. Harisingh Shyamsukha
Mr. Ketan Desai

Nomination & Remuneration Committee

Ms. Babita Thakar- (Chairperson)
Mr. Harisingh Shyamsukha
Mr. Ketan Desai

Corporate Social Responsibility Committee

Ms. Babita Thakar- (Chairperson)
Mr. Harisingh Shyamsukha
Mr. Ketan Desai

Asset Liability Management Committee

Mr. Harisingh Shyamsukha (Chairman)
Ms. Babita Thakar
Mr. V V Sureshkumar
Mr. Rajiv Pathak

Risk Management Committee

Mr. Harisingh Shyamsukha (Chairman)
Ms. Babita Thakar
Mr. V V Sureshkumar

KEY MANAGERIAL PERSONNEL

| | |
|---------------------|---|
| Ms. Ekta Kumari* | Company Secretary & Compliance Officer |
| Ms. Avani Sanghavi* | Company Secretary & Compliance Officer |
| Mr. Rajiv Pathak | CEO |
| Ms. Vaishali Dhuri | CFO |

(Ms. Avani Sanghavi was appointed w.e.f. 14.08.2017 & Ms. Ekta Kumari was resigned w.e.f. 14.08.2017)

Secretarial Auditors

M/s Nishant Jawasa & Associates
Company Secretaries
A/103, New Ankur CHS Ltd.
32 Bhardawadi Lane, Off J. P. Road
Andheri (W), Mumbai - 400058

Statutory Auditors

M/s Ajmera Ajmera & Associates
Chartered Accountants
Sonal Link Industrial Estate, 2/334, 3rd Floor,
Near Movietime Theatre,
Malad (West), Mumbai - 400 064

Internal Auditors

M/s A.J. K & Associates,
Chartered Accountants
G-1, Dhiraj Apartment, Maratha Colony,
Dahisar (East), Mumbai - 400 068

Registrar & Share Transfer Agent**TSR Darashaw Limited**

6-10, Haji Moosa Patrawala Industrial
Estate, 20 Dr. E Moses Road,
Telephone: 66568484, Fax: 66568494

Web site:

www.saraswaticommercial.com

Corporate Identification Number

L51909MH1983PLC166605

Investors Relations Email ID

saraswati.investor@gcvl.in

Stock Exchange's where company's Shares are Listed

BSE Limited

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NOTICE

NOTICE is hereby given that the Thirty Forth Annual General Meeting of the Members of **Saraswati Commercial (India) Limited** will be held at Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 on Thursday, 28th day of September, 2017 at 4.30 P.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Consolidated & Standalone Balance Sheet as at 31st March, 2017 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harisingh Shyamsukha (holding DIN: 00033325) , who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint of M/s. Ajay Shobha & Co., Chartered Accountant (FRN: 317031E), as Auditors of the Company & fix thier remuneration and in this connection, pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 139, section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other Rules framed thereunder, as amended from time to time, M/s. Ajay Shobha & Co., Chartered Accountant (FRN: 317031E) be and is hereby appointed as the Statutory Auditors of the Company for a term of 5 consecutive years and to hold the office from the conclusion of this 34th Annual General Meeting until the conclusion of 39th Annual General Meeting subject to ratification by the members to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor;

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and are hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

AS SPECIAL BUSINESS:

4. Appointment of Mr. V V Sureshkumar as a (Non-Executive) Director of the Company

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. V V Sureshkumar (DIN: 00053859), who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 14th August, 2017 and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT any of the director of the company be and is hereby authorized to do all such acts, deeds and things as may be required for the above resolution.”

5. Increase the borrowing limit under section 180 (1) (c) of the Companies Act, 2013

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

“RESOLVED THAT in suppression of all the earlier resolution passed by the shareholders of the company and pursuant to the Section 180 (1) (c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores only).”

6. Approval of Related Party Transaction:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT in supersession of all the earlier resolutions passed by the shareholders of the company and pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such approvals, consent, sanctions and permission as may be necessary, consent of the members of the Company be and is hereby accorded to enter into the related party transaction by the company with related parties up to the maximum amount (per annum) as tabled below:

| Sr. No. | Name of the Related Party | Name of the Director/KMP who is related and nature of their relationship | Nature of Transaction | Maximum Value (per annum) (Rs. in crores) |
|---------|---|--|---|---|
| 1 | Winro Commercial (India) Limited | Ketan Desai (Director) Vaishali Rajesh Dhuri (Director) | Availing & Rendering revolving loan facility (floating interest rate) | 75.00 |
| 2 | Geecee Investments Limited | Vaishali Rajesh Dhuri (Director) | Availing & Rendering revolving loan facility (floating interest rate) | 75.00 |
| 3 | Four Dimensions Securities (India) Limited | Group Company (Common Promoters) | Rendering revolving loan facility (floating interest rate) | 75.00 |
| 4 | Urudavan Investment & Trading Private Limited | Group Company (Common Promoters) | Rendering revolving loan facility (floating interest rate) | 75.00 |
| 5 | Kothari Premises Private Limited | Group Company (Common Promoters) | Rendering revolving loan facility (floating interest rate) | 75.00 |
| 6 | Four Dimensions Securities (India) Limited | Group Company (Common Promoters) | Availing Broking Services | 1 |

“RESOLVED FURTHER THAT for the purpose aforesaid, the Board and/ or any person duly authorised by them be and are hereby authorized and do all such acts, deeds, matters and things as it may deem necessary.”

By Order of the Board of Directors

Place: Mumbai
Dated: 14th August, 2017
REGISTERED OFFICE:
209-210, Arcadia Building,
2nd Floor, Plot No. 195,
Nariman Point, Mumbai – 400021

Sd/-
Harisingh Shyamsukha
Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (ten percent) of the total Share capital.**
2. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the company, duly completed and signed, not less than 48 (forty eight) hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc.; must be supported by an appropriate resolution/authority, as may be applicable.
3. Corporate members are requested to send a duly certified copy of the Board Resolution, authorizing their representative to attend and vote at the Annual General Meeting.
4. The Members/proxies are requested to bring their copy of the Annual Report to the Meeting along with duly filled in Attendance Slips for attending the meeting
5. The Members are requested to send their queries at least ten days before the date of the meeting so that information can be made available at the meeting.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company for the financial year ended on 31st March, 2017 are requested to write to the Company, at an early date to enable the Management to keep the information ready.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 25th September, 2017 to Thursday, 28th September, 2017 (both days inclusive) for annual closing.
8. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent to M/s. TSR Darashaw Limited at 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E Mosses Road Mahalaxmi Mumbai- 400011 in respect of their physical share folios.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
10. **Investor Grievance Redressal:** The Company has designated an exclusive e mail id i.e. saraswati.investor@gcvl.in to enable investors to register their complaints/correspondence, if any
11. **Green initiative** - Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. Electronic Copy of the 34th 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) of the 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.
13. **Voting through electronic means**
 - I. 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 SEBI (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 venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. 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 paper.
- III. 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.
- IV. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder - Login
 - iv. Put your user ID and password. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of Saraswati Commercial (India) Limited.
 - viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - x. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xi. Institutional shareholders (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, to the Scrutinizer through e-mail to njawasa@yahoo.co.in or saraswati.investor@gcvl.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.
- V. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2017.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

General Instructions:

- a. The e-voting period commences on Monday, 25th September, 2017 (09:00 a.m. IST) and ends on Wednesday, 27th September, 2017 (5:00 p.m. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. 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 21st September, 2017, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- c. Mr. Nishant Jawasa, Practicing Company Secretary (Membership No. FCS 6557), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any; forthwith to the Chairman of the Company.
- e. The Scrutinizer shall, after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.saraswaticommercial.com and on the website of NSDL immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchanges.

- 14. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.**

Annexure to the Notice

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

Item no. 2

Brief Resume of person proposed to be re-appointed as Director of the Company at the Annual General Meeting:

| | |
|--|--|
| Name | Mr. Harisingh Shyamsukha |
| Age | 68 years |
| Qualification | Chemical Engineer from Jadhavpur University, West Bengal |
| Nature of Expertise | Chemical Manufacturing |
| Terms & Condition of Appointment / Reappointment | Retire by rotation |
| Experience | Experience of over 37 years in the field of Investment, Trading & Finance |
| Date of Appointment | 28.08.1984 |
| Name of Companies in which also holds Directorship | <ul style="list-style-type: none"> • GeeCee Venture Limited • Elrose Mercantile Pvt. Ltd. • Crux Investments Pvt. Ltd. • Papafine Chemicals Pvt. Ltd. • GeeCee Business Pvt. Ltd. |
| Name of the Companies in Committees of which holds membership / chairmanship | -- |
| Shareholding in Saraswati Commercial (India) Limited | 99 Shares as on 29.05.2017 |
| Relationship with other Directors, Managers and other KMP | NA |
| No. of Board Meeting attended | 9 |

The Board of Directors recommends the resolution set forth in item 2 for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in passing the resolution.

Item no. 4

Mr. Anilkumar Rajan who was Non-executive Director of the Company tendered his resignation w.e.f. 10.08.2017. In accordance with the provisions of Section 161 of the Companies Act, 2013 & based on the recommendation of the Nomination & Remuneration Committee, Mr. V V Sureshkumar (DIN: 00053859) was appointed as an Additional Director on the Board of the Company with effect from 14.08.2017 to hold office upto the date of the ensuing Annual General Meeting.

Mr. V V Sureshkumar is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. V V Sureshkumar and his relatives are, in any way, concerned or interested in the said resolutions.

Brief Resume of person proposed to be appointed as Director of the Company at the Annual General Meeting:

| | |
|---|--|
| Name | Mr. V. V. Sureshkumar |
| Age | 59 years |
| Qualification & Nature of Expertise | B.Com, Diploma in Marketing & Management |
| Experience | Experience of over 32 Years in the field of Marketing, Investment and Trading. |
| Date of Appointment | 14.08.2017 |
| Name of Companies in which also holds Directorship | Arcies Laboratories Limited GeeCee Investments Limited GeeCee Logistics & Distributions Private Limited Mountain Side Agriculture Private Limited Rosy Agriculture Private Limited Geecee Fincap Limited Geecee Ventures Limited Winro Commercial (India) Ltd |
| Name of the Companies in Committees of which holds membership / chairpersonship | Geecee Fincap Limited Winro Commercial (India) Ltd |
| Shareholding in Saraswati Commercial (India) Limited | 233 Shares |
| Relationship with other Directors, Managers and other KMP | NA |

The Board of Directors recommends the resolution set forth in item 4 for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in passing the resolution.

Item No. 5

The members of the Company on its 31st Annual General Meeting held on 13th September, 2014 had acquired the consent of the members under section 180 (1) (c) of the Companies Act, 2013 relating to borrowings over and above the aggregate of paid up capital and free reserves of the company provided that the total amount of such borrowings together with the amount already borrowed and outstanding at any point of time shall not be in excess of Rs. 250 Crores (Rupees Two Hundred & Fifty Crores)

Section 180 (1) (c) of the Companies Act, 2013 which is effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It, is therefore, necessary for the members to pass a Special Resolution under Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013 as set out in item no. 5, of the notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 500 Crores (Five Hundred Crores only) in excess of the aggregate of the paid up share capital and free reserves of the Company.

The Board of Directors recommends the resolution set forth in item No. 5 for approval of the Members.

None of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise, in passing the resolution.

Item No. 6

The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company rendering services exceeding 10 percent of the net worth, prior approval of the shareholders by way of a resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;

3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

Further, the proviso to Section 188 also states that nothing in Section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. The transactions pertaining to rendering of revolving loan facility are in ordinary course of business and at arm's length but exceed the threshold limits prescribed and thus as a practice of good compliance approval of members is required to be sought.

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

| Name of the Related Party | Winro Commercial (India) Limited | Geecee Investments Limited | Four Dimensions Securities (India) Limited | Urudavan Investment & Trading Private Limited | Kothari Premises Private Limited |
|---|--|--|---|---|---|
| Nature of Relationship | Common Director/ KMP | Common Director/ KMP | Group Company | Group Company | Group Company |
| Name of Director(s) or KMP who is/are related and nature of relationship | Ketan Desai (Director) Vaishali Rajesh Dhuri (Director) | Vaishali Rajesh Dhuri (Director) | - | - | - |
| Nature of contracts / arrangements / transactions | Availing & Rendering of revolving loan facility | Availing & Rendering revolving loan facility | Rendering revolving loan facility and availing broking services | Rendering revolving loan facility | Rendering revolving loan facility |
| Material terms of the contracts/arrangements/ transactions | To be determined on an arm's length basis | To be determined on an arm's length basis | To be determined on an arm's length basis | To be determined on an arm's length basis | To be determined on an arm's length basis |
| Monetary Value | Maximum upto 75.00 crores | Maximum upto 75.00 crores | Loan - Maximum upto 75.00 crores Brokerage upto 1 Crore | Maximum upto 75.00 crores | Maximum upto 75.00 crores |
| Are the transactions in the ordinary course of business | Yes | Yes | Yes | Yes | Yes |
| Whether the transactions have been approved by the Audit Committee and the Board of Directors of the Company | Yes | Yes | Yes | Yes | Yes |

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No. 6 shall be entitled to vote on this ordinary resolution.

The Board of Directors recommends the resolution set forth in item No. 6 for approval of the Members.

Except Directors mentioned above, no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution.

By Order of the Board of Directors

Place: Mumbai
Dated: 14th August, 2017

Sd/-
Harisingh Shyamsukha
Director

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 34th Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2017.

1. FINANCIAL HIGHLIGHTS:

| Particulars | Standalone | | Consolidated {Consolidation with Subsidiaries & Associate} | Consolidated {Consolidation with Associates} |
|--|--------------------------|--------------------------|--|--|
| | Year ended 31.03.2017 | Year ended 31.03.2016 | Year ended 31.03.2017 | Year ended 31.03.2016 |
| Revenue from operations and other income | 1075.10 | 1908.32 | 1075.10 | - |
| Profit before Finance Cost, Depreciation, Extraordinary items and Tax | 801.13 | 1803.91 | 800.73 | - |
| Less: Finance cost | 284.01 | 420.18 | 284.01 | - |
| Less: Depreciation | 3.18 | 0.11 | 3.18 | - |
| Profit before Tax | 513.94 | 1383.62 | 513.54 | - |
| Add/(Less): Provision for Taxation | | | | - |
| a) Current | 24.83 | 93.80 | 24.83 | - |
| b) Current Tax expense relating to prior years | 17.69 | - | 17.69 | - |
| c) Deferred Tax (Expenses)/ Income | (50.98) | (93.44) | (50.98) | - |
| Net Profit after Taxation before share profit/ loss of associate & minority interest | 522.40 | 1383.26 | 522.01 | 1383.26 |
| Add: Share in loss of associate for the year | - | - | - | 0.06 |
| Add: Share of profit/(loss) attributable to Minority Interest | - | - | (0.15) | - |
| Net Profit for the year | 522.40 | 1383.26 | 522.16 | 1383.20 |
| Balance brought forward from Previous Year | 2477.64 | 1371.02 | 2473.57 | 1371.02 |
| Less: Transferred to Reserves U/s 45IC of RBI Act | 104.48 | 276.65 | 104.48 | 276.65 |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation | 5404.41 | - | 5404.41 | - |
| Add: Share in accumulated loss of Minority Interest | - | - | 0.09 | - |
| Add: Share in accumulated Pre-acquisition loss | - | - | 0.23 | - |
| Balance Carried to balance sheet | 8299.97 | 2477.63 | 8295.98 | 2473.57 |

Note: Previous year's figures have been regrouped / reclassified whenever necessary to correspond with the current year's classification / disclosure.

*The Standalone figures of the current and previous years are not comparable as the current year's Standalone figures are derived after the merger of Saraswati Commercial (India) Limited and Aroni Commercials Limited.

2. DIVIDEND:

Your Directors do not recommend any dividend for the year ended on 31st March 2017 with a view to conserve the resources for future.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

4. STATE OF AFFAIRS OF THE COMPANY:

• **Revenues – Standalone:**

During the year ended 31st March, 2017, your Company achieved a total income aggregating to Rs. 1075.10 lakhs. After providing for Depreciation and Finance Charges, the Company has registered a profit before tax of Rs. 513.94 Lakhs. After making provision for tax in respect of current year, the profit after tax is of Rs. 522.40 lakhs has been carried to the Balance sheet. The Company maintains adequate internal control systems covering all its operational areas. Your Directors are putting in their efforts and are hopeful of improved working during the years to come.

• **Revenues – Consolidated:**

The Company has consolidated its financial statements related to the Company, its Subsidiaries and its Associates. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 23 (AS 23) "Accounting for Investments in Associates in Consolidated Financial Statements", Accounting Standard 21(AS 21) "Consolidated Financial Statements", as per section 129 (3) of the Companies Act, 2013 and specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 by using "Equity Method".

During the year ended 31st March, 2017, your Company achieved a total income aggregating to Rs. 1075.10 lakhs. After providing for Depreciation and Finance Charges, the Company has registered a profit before tax of Rs. 513.54 Lakhs. After making provision for tax in respect of current year, the profit after tax is of Rs. 522.16 lakhs has been carried to the Consolidated Balance Sheet.

5. TRANSFER TO RESERVE:

The Company has transferred Rs. 104.48 Lakhs to Reserves u/s 45IC of RBI Act.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There were no changes in nature of the business of the Company done during the year.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

• **Subsidiaries:**

Pursuant to the scheme of Amalgamation between Aroni Commercials Limited (the transferor company) and Saraswati Commercial (India) Limited (the transferee company) vide order passed by the Hon'ble National Company Law Tribunal, Mumbai bench on 16th March, 2017, following Companies emerged as the subsidiary as on the effective date 31st March, 2017 according to the provisions of Section 2 (87) of Companies Act, 2013, the rules made thereunder and any other applicable provisions of the Companies Act, 2013:

| Sr. No. | Name of the subsidiaries | % of holding |
|---------|---|--------------|
| 1 | Sareshwar Trading and Finance Pvt. Ltd. | 60.77 |
| 2 | Arkaya Commercial Private Limited | 61.33 |

• **Associates:**

The following company is the associate

| Sr. No. | Name of the associate | % of holding |
|---------|-----------------------------|--------------|
| 1 | Arcies Laboratories Limited | 31.03 |

Financial Highlights of Subsidiaries & Associates:

(Amt: in Lakhs, except for EPS)

| Particulars | Sareshwar Trading and Finance Private Limited | Arkaya Commercial Private Limited | Arcies Laboratories Limited |
|--|--|-----------------------------------|-----------------------------|
| | Year ended 31 st March, 2017 {Standalone figures} | | |
| Revenue from operations & other Income | - | - | 3.22 |
| Profit before Tax | (0.11) | (0.28) | 0.23 |
| Net Profit after Taxation | (0.11) | (0.28) | 0.18 |
| EPS – Basic | (0.7) | (1.09) | 2.27 |
| -Diluted | (0.7) | (1.09) | 2.27 |

- Joint Ventures:**

The company has no Joint Ventures.

Pursuant to Section 129 (3) of the Companies Act, 2013 read with the Rules (5) of the Companies (Accounts) Rules, 2014 the salient feature of Financial Statement of Associates in Form AOC 1 which forms part of Financial Statements as (“Annexure 4”).

8. DIRECTORS & KEY MANAGERIAL PERSONNEL:**Independent Director**

Pursuant to the provisions of the section 149 of the Companies Act, 2013, the following Non-Executive Directors are appointed as Independent Directors:-

| Sr. No. | Name of the Director | Date of appointment |
|---------|----------------------|---------------------|
| 1 | Ms. Babita Thakar | 26.07.2014 |
| 2 | Mr. Ketan Desai | 13.02.2015 |

The above Independent Directors of the Company have submitted a declaration that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013, and the same have been considered and taken on record by the Board.

Women Director

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulation, 2015 a company shall have at least one women director on the board of the company. Your Company has appointed Ms. Babita Thakar on 26th July, 2014.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the company are as follows:

| Sr. No. | Name | Designation |
|---------|---------------------|--|
| 1 | Ms. Ekta Kumari* | Company Secretary & Compliance officer |
| 2 | Ms. Avani Sanghavi* | Company Secretary & Compliance officer |
| 3 | Mr. Nalin Kothari* | CEO |
| 3 | Mr. Rajiv Pathak* | CEO |
| 4 | Ms. Vaishali Dhuri | CFO |

- Mr. Nalin Kothari resigned from office of CEO & Mr. Rajiv Pathak was appointed as CEO of the Company w.e.f. 11.08.2016.
- Ms. Ekta Kumari has tendered her resignation as Company Secretary & Compliance officer & Ms. Avani Sanghavi has been appointed as Company Secretary & Compliance officer of the Company w.e.f 14.08.2017.

Appointment / Resignation of Directors

Mr. Harisingh Shyamsukha, Director of the Company retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Further pursuant to the resignation of Mr. AnilKumar Rajan as a Non-executive Director of the Company w.e.f. 10.08.2017 & in accordance with the provisions of Section 161 of the Companies Act, 2013 & Regulation 17 of SEBI (LODR) Regulation, 2015, Mr. V V Sureshkumar (DIN: 00053859) was appointed as an Additional (Non-Executive) Director on the Board of the Company w.e.f. 14.08.2017.

The Company has devised a policy on directors' appointment and remuneration including criteria for deeming qualifications, independence of director and other matter provided under sub-section (3) of Section 178. Such Nomination & Remuneration policy devised by the company can be accessed on the website of the company - www.saraswaticommercial.com.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm the following:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit and loss of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.
- that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and;
- that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. STATUTORY AUDITORS:

As per provisions of the Act, the period of the office of M/s. Ajmera Ajmera & Associates (FRN: 123989W); Chartered Accountants, the Statutory Auditors of the Company expires at the ensuing Annual General Meeting.

M/s. Ajay Shobha & Co., Chartered Accountant (FRN: 317031E); Chartered Accountants, are proposed to be appointed as the Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of this 34th Annual General Meeting until the conclusion of 39th Annual General Meeting. As required under the provisions of Section 139 of the Act, a resolution for their appointment is being placed before the shareholders for their approval.

The Notes to the financial statement referred to in the Auditors' Report are self explanatory and does not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors Report is enclosed with the financial statements in this Annual Report.

11. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2016-17, the Company has not received any complaints on sexual harassment and no complaint is remaining pending as on 31st March, 2017. The policy on prevention, prohibition and redressal of sexual harassment at workplace can be accessed on the website of the company - www.saraswaticommercial.com

12. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed M/s. Nishant Jawa and Associates, Practicing Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2016-17.

The report of the Secretarial Auditor is enclosed as ("**Annexure 1**") and forms part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

13. PUBLIC DEPOSITS:

The Company has not accepted any deposit from the public under Chapter V of the Companies Act, 2013 or under the corresponding provisions of Section 58A of the Companies Act, 1956 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**A] Conservation of Energy and Technology Absorption:**

- i) The step taken or impacts on conversation of energy – The operation of your Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
- ii) The steps taken by the Company for utilizing alternative sources of energy – though the operations of the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when necessity arises.
- iii) The capital investment on energy conservation equipments - NIL

B] Foreign Exchange Earnings & Outgo:**(Rs. In Lacs)**

| PARTICULARS | 2016-2017 | 2015-2016 |
|--------------------------|-----------|-----------|
| Foreign Exchange Earning | Nil | Nil |
| Foreign Exchange Outgo | Nil | Nil |

C] Technology Absorption:

- a. The efforts made towards Technology Absorption: None
- b. The benefits derived like product improvement, cost reduction, product development: Not Applicable
- c. The Expenditure incurred in Research & Development: Nil

15. PARTICULARS OF EMPLOYEES:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under 197 (12) of the Companies Act, 2013, read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. PARTICULARS OF REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 and the Rules made there-under, in respect of the employees of the company

- a) The ratio of the remuneration of each director to the median remuneration of the employee of the company for the financial year:

No remuneration is been paid to the Directors of the company.

- b) The percentage of increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer(CFO) and Company Secretary (CS) if any, in the financial year-

| Name of the Person | % of increase |
|----------------------|---------------|
| Rajiv Pathak (CEO) | - |
| Vaishali Dhuri (CFO) | 16.08 |
| Ekta Kumari (CS) | - |

- c) The percentage increase in the median remuneration of employees in the financial year - **32.11%**
- d) The number of permanent employees on the rolls of company as on 31st March, 2017 - **6(Six)**
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average increase in salaries of employees other than managerial personnel in 2016-17 was **49.38%**. Percentage increase in the managerial remuneration for the year was **16.08%**

- f) The key parameters for any variable component of remuneration availed by the directors.

No variable component of remuneration has been availed by the directors.

- g) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through the compensation package, the Company endeavor to attract, retain develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process, The Company affirms remuneration is as per the remuneration policy of the company.

- j) Details Pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the directors report for the year ended March 31, 2017.

As required under Rule 5 (2) none of the employees were in receipt of remuneration of not less than 1 Crore and 2 Lakh rupees p.a. or employed for a part of the financial year were in receipt of remuneration of not less than 8 Lakh and Fifty Thousand p.m.

Details of top ten employees in terms of remuneration drawn as per Rule 5 (2) are as follows:

| Name and Age of the employee and % of equity shares held | Designation of employee | Qualifications & Experience | Date of Commencement of Employment | Gross Remuneration received (Per annum) | Other Terms & Conditions | Nature of employment, whether contractual or otherwise | Nature of duties of the employees | The last employment held by such employee before joining the company | Relationship with other Directors of the Company |
|---|-------------------------|--|------------------------------------|---|---------------------------|--|-----------------------------------|--|--|
| Rajiv Pathak Age: 37 Years % of shares held: NIL | CEO | Qualification: CA Experience: 10 Years | 13.02.2015 | 22,88,030 | As per Appointment letter | Non-contractual | Looks after Investments | Four Dimensions Securities (India) Limited | There is no relationship with any Directors |
| Anju Kejariwal Age: 48 Years % of shares held: NIL | Officer | Qualification: B.com Experience: 15 Years | 01.04.2014 | 22,07,900 | As per Appointment letter | Non-contractual | Looks after Commercial | Winro Commercial (India) Limited | There is no relationship with any Directors |
| Mrunal Khalpada Age: 37 Years % of shares held: NIL | Officer | Qualification: B.Com Experience: 10 Years | 01.04.2014 | 17,80,600 | As per Appointment letter | Non-contractual | Looks after Accounts | Winro Commercial (India) Limited | There is no relationship with any Directors |

| | | | | | | | | | |
|--|-------------------|---|------------|-----------|---------------------------|-----------------|-------------------------------------|------------------------------|---|
| Sanket Baheti Age: 26 Years % of shares held: NIL | Analyst | Qualification: MBA Experience: 2 Years | 08.03.2015 | 12,71,500 | As per Appointment letter | Non-contractual | Looks after Research Analysis | - | There is no relationship with any Directors |
| Vaishali Dhuri Age: 46 Years % of shares held: NIL | CFO | Qualification: BSC Experience: 15 Years | 13.02.2015 | 8,35,538 | As per Appointment letter | Non-contractual | Looks after the Accounts & Taxation | D. L. Mehta & Co. | There is no relationship with any Directors |
| Ekta Kumari Age: 36 Years % of shares held: NIL | Company Secretary | Qualification: CS, B.Com Experience: 5 Years | 24.03.2015 | 1,52,400 | As per Appointment letter | Non-contractual | Looks after Secretarial Compliances | Tarapur Transformers Limited | There is no relationship with any Directors |

17. EXTRACT OF ANNUAL RETURN:

The details forming part of extract of the Annual Return in form MGT-9 a required under section 92 of the Companies Act, 2013, is included in this report as ("**Annexure-2**") and forms an integral part of this Report.

18. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

The details of Loans, Guarantees and Investments made are given in the Notes to the Financial Statements. However, provisions of Section 186 of Companies Act, 2013 except Sub section (1), are not applicable to the company.

19. INDEPENDENT DIRECTORS' DECLARATION:

Ms. Babita Thakar and Mr. Ketan Desai who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

Further, there has been no change in the circumstances which may affect their status as independent director during the year.

20. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

As provided in Sub-section (6) of Section 149 of the Companies Act, 2013, the company shall familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

On their appointment, the Independent Directors were familiarized about the Company's operations and businesses. Interaction with the key executives of the Company is also facilitated.

The said program was conducted for the familiarization of Independent directors. The details of the same can be found on the website of the company – www.saraswaticommercial.com.

21. CORPORATE GOVERNANCE :

A report on Corporate Governance is included as a part of this Annual Report. Certificate from M/s. Nishant Jawa & Associates, Company Secretaries in practice confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as a part of this report.

22. DISCLOSURES:

• **RELATED PARTY TRANSACTIONS:**

The transactions entered with the related parties were in ordinary course of business and at arm's length & thus the provisions of Section 188(1) of the Companies Act, 2013 is not applicable to the Company. Subsequently Form AOC - 2 is not required. The details of related party transactions are provided in the Financial Statements of the Company.

• **CEO AND CFO CERTIFICATION:**

The Chief Executive Officer and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.

• **CODE OF CONDUCT:**

The Board of Directors have laid-down a “Code of Conduct” (Code) for all the Board Members and the senior management personnel of the Company and the same Code is posted on the Website of the Company – www.saraswaticommercial.com or accessed through the following link - <http://www.saraswaticommercial.com/policies/CODE-OF-CONDUCT.pdf>

Annual declaration is obtained from every person covered by the Code.

• **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis report as stipulated in Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

• **POLICIES AND PROGRAMMES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All such policies which are applicable to the company are available on our website (<http://www.saraswaticommercial.com/policies-and-code.asp>). The policies are reviewed by the Board and updated based on need and new compliance requirements.

The policies and programmes adopted by the company along with their web links are as follows:

| Sr. No. | Name of the policy | Web link |
|---------|---|---|
| 1 | Document Retention and Archival Policy | http://www.saraswaticommercial.com/policies/Document-Retention-Archival-Policy_Saraswati.pdf |
| 2 | Policy for determination of Materiality | http://www.saraswaticommercial.com/policies/Policy-for-Determination-of-Materiality_Saraswati.pdf |
| 3 | Policy on prevention of sexual harassment | http://www.saraswaticommercial.com/policies/Policy%20On%20Prevention%20of%20Sexual%20Harassment.pdf |
| 4 | Nomination & Remuneration Policy | http://www.saraswaticommercial.com/policies/NOMINATION%20AND%20REMUNERATION%20POLICY-SCIL.pdf |
| 5 | CSR Policy | http://www.saraswaticommercial.com/policies/CSR%20Policy_SARASWATI.pdf |
| 6 | Vigil Mechanism Policy | http://www.saraswaticommercial.com/policies/Vigil-Mechanism-policy-SCIL.pdf |
| 7 | Related Party Transaction Policy | http://www.saraswaticommercial.com/policies/Related%20Party%20Transaction%20Policy.pdf |
| 8 | Familiarisation Programme for Independent Directors | http://www.saraswaticommercial.com/policies/final%20Details_of_Familiarisation_Programme_SARASWATI-23-3-15.pdf |

23. NUMBER OF MEETINGS OF THE BOARD:

Board Meetings and Attendance of Directors

The Board meets at least once in a quarter to consider and adopt amongst other business the performance of the Company and quarterly financial results. When deemed necessary, additional meetings of the Board are held. The Board meetings are held at the Registered Office of the Company at Mumbai. Agenda for each board meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

There were 9 Board Meetings held during the year ended 31st March, 2017. Additionally several committee meetings were held including Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee & Corporate Social Responsibility Committee.

24. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") forms part of this Annual Report as "**Annexure-A**" to the Auditors Report.

25. INSURANCE:

The company has adequately insured all its Assets and properties.

26. CORPORATE SOCIAL RESPONSIBILITY:

The Board of Directors constituted a Corporate Social Responsibility (CSR) Committee consisting of three Directors out of which one is Independent Director. The Board of Directors at its meeting held on 12th August, 2015 has adopted and approved the CSR policy as recommended by the CSR Committee.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in "**(Annexure-3)**" of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The policy is available on the website of the Company at (www.saraswaticommercial.com).

During the year, the company was required to spend Rs. 22,60,500/- towards Corporate Social Responsibility out of which company has spent Rs. 27,00,000/- lakhs.

27. BOARD EVALUATION:

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non- Independent Director was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The Nomination and Remuneration Committee and the Board of Directors have laid down criteria for performance evaluation of Directors, Chairperson, Board Level Committees and Board as a whole and also the evaluation process for the same. The performances of the members of the Board, the Board level Committees and the Board as a whole were evaluated at the meeting of the Independent Directors held on 20th December, 2016. The Board of Directors expressed their satisfaction with the evaluation process.

28. VIGIL MECHANISM POLICY

The Company has a Vigil Mechanism policy which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company. The Vigil Mechanism policy has been posted on the website of the Company (www.saraswaticommercial.com).

29. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Merger of Aroni Commercials Limited:

The Hon'ble National Company Law Tribunal, Mumbai bench has disposed our petition and given us the order in our favour for the amalgamation of Aroni Commercials Limited (the transferor company) with Saraswati Commercial (India) Limited (the transferee company) vide its order dated 16th March, 2017. The Company has filed Form INC 28 with the Registrar of Companies and its Effective Date is 31st March, 2017.

The Company has received approval letter of Part II (A) (2) of SEBI Circular CIR/CFD/CMD/16/2015 dated 30th November, 2015 dated 8th May, 2017 and fixed the Record date on 22nd May, 2017 to issue the shares of Saraswati Commercial (India) Limited to the Shareholders of Aroni Commercials Limited.

At the Board Meeting held on 29th May, 2017 the Company allotted 390593 equity shares pursuant to the Scheme of Amalgamation to the Shareholders of Aroni Commercials Limited which has been shown as shares pending allotment in Balance sheet for the year ended 31st March, 2017. The shares were issued in the prescribed ratio i.e. 1:9 shares to the shareholders of Aroni Commercials Limited.

The Company has also received Listing and Trading approval of Shares with regards to the said allotment.

30. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under the review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of share (including sweat equity shares) to employees of the Company under any scheme.
4. None of the Directors of the company receives any remuneration or commission from the Company as well as from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

31. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Investors, Banks and Statutory Authorities. Your Directors express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year.

By Order of the Board of Directors

Place: Mumbai
Dated: 14th August, 2017

Sd/-
Harisingh Shyamsukha
Director

ANNEXURES TO THE DIRECTORS REPORT:**ANNEXURE 1****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

[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,

Saraswati Commercial (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Saraswati Commercial (India) Limited (hereinafter called the Company). We have also conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aroni Commercials Limited, which was amalgamated with the Company wide order of the National Company Law Tribunal dated 16th March, 2017. 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 Company's 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 31st March, 2017 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 on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Other laws applicable specifically to the Company namely:
 - a) Reserve Bank of India Act, 1934 to the extent it is applicability for a Non-Banking Finance Company

We report that 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, there was no actions/events in pursuance of:

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009)

- c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 requiring compliance thereof by the Company during the financial year.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with The Stock Exchanges.

We further report that based on the information provided by the Company, its officer and authorized representatives during the conduct of Audit, and also review of the quarterly compliances report by respective departmental head/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board of Directors and committees thereof all decisions were unanimous and no dissenting views have been recorded.

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 audit period there was no other specific events/action in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a majority bearing on the Company's affairs except the following:

1. The Company has approved the Scheme of amalgamation of Aroni Commercials Limited with the Company during the year and the same was approved wide order of the National Company Law Tribunal dated 16th March, 2017.

Place: Mumbai
Date: August 14, 2017

For Nishant Jawaasa & Associates
Company Secretaries

Sd/-
Nishant Jawaasa
Proprietor

FCS-6557
C.P. No. 6993

ANNEXURE 2**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**as on financial year ended on 31st March, 2017Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**I REGISTRATION & OTHER DETAILS:**

| | | |
|-----|--|--|
| i | CIN | L51909MH1983PLC166605 |
| ii | Registration Date | 24/01/1983 |
| iii | Name of the Company | Saraswati Commercial (India) Limited |
| iv | Category/Sub-category of the Company | Company Limited by Shares / Indian Non- Government Company |
| v | Address of the Registered office & contact details | 209-210, Arcadia Building, 2 nd Floor, 195, Nariman Point, Mumbai - 400021 Phone: 66708600 / Fax: 66708650 |
| vi | Whether listed company | YES |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | M/s. TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400011 Tel: 6656 8484, Fax 6656 8494 |

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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 of the Product /service | % to total turnover of the company |
|-------|---|----------------------------------|------------------------------------|
| 1 | Investment, trading in shares and securities and lending activities | 6499 | 99.83% |

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| SI No | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|---|-----------------------|--------------------------------------|---------------------|----------------------------------|
| 1 | Arkaya Commercials Private Limited 209-210, Arcadia Building, 2 nd Floor, 195, Nariman Point, Mumbai - 400021 | U65999MH1994PTC295909 | Subsidiary Company | 61.83 | 2(87) of the Companies Act, 2013 |
| 2 | Sareshwar Trading and Finance Private Limited 209-210, Arcadia Building, 2 nd Floor, 195, Nariman Point, Mumbai - 400021 | U51900MH1996PTC096829 | Subsidiary Company | 60.77 | 2(87) of the Companies Act, 2013 |
| 3 | Arcies Laboratories Limited 19, Western India House, 2 nd Floor, Sir P.M Road, Fort, Mumbai 400 001 | U24200MH1945PLC004429 | Associate Company | 31.03 | 2(6) of the Companies Act, 2013 |

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

i) Category-wise Share Holding

| Category of Shareholders | No.of Shares held at the beginning of the year .i.e 1 st April, 2016 | | | | No.of Shares held at the end of the year .i.e 31 st March, 2017 | | | | % Change during the year |
|--|---|----------|---------------|-------------------|--|----------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| (a) Individuals / Hindu Undivided Family | 308,680 | 0 | 308680 | 48.23 | 308,680 | 0 | 308680 | 48.23 | 0.00 |
| (b) Central Government / State Governments(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) Bodies Corporate | 171320 | 0 | 171320 | 26.77 | 171320 | 0 | 171320 | 26.77 | 0.00 |
| (d) Financial Institutions / Banks | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (e) Any Other (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (A) (1) | 480000 | 0 | 480000 | 75.00 | 480000 | 0 | 480000 | 75.00 | 0.00 |
| (2) Foreign | | | | | | | | | |
| (a) Individuals (Non-Resident Individuals / Foreign Individuals) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (b) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) Institutions | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (d) Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (e) Any Other (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (A) (2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total Shareholding of Promoter and Promoter Group (A) | 480000 | 0 | 480000 | 75.00 | 480000 | 0 | 480000 | 75.00 | 0.00 |
| (B) Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| (a) Mutual Funds / UTI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (b) Financial Institutions / Banks | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) Cental Government / State Governments(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (d) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| Category of Shareholders | No. of Shares held at the beginning of the year .i.e 1 st April, 2016 | | | | No. of Shares held at the end of the year .i.e 31 st March, 2017 | | | | % Change during the year |
|--|--|--------------|---------------|-------------------|---|--------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (e) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (f) Foreign Institutional Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (g) Foreign Venture Capital Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (h) Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (i) Foreign Portfolio Investors (Corporate) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (j) Any Other (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (B) (1) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (2) Non-Institutions | | | | | | | | | |
| (a) Bodies Corporate | | | | | | | | | |
| i. Indian | 89,180 | 57000 | 146180 | 22.84 | 89,180 | 57000 | 146180 | 22.84 | 0.00 |
| ii. Overseas | | | | | | | | | |
| (b) Individuals - | | | | | | | | | |
| i. Individual shareholders holding nominal share capital upto Rs. 1 lakh | 0 | 13820 | 13820 | 2.16 | 0 | 13820 | 13820 | 2.16 | 0.00 |
| ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 0 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0.00 | 0.00 |
| (c) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0.00 | 0.00 |
| Sub-total (B) (2) | 89180 | 70820 | 160000 | 25.00 | 89180 | 70820 | 160000 | 25.00 | 0.00 |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | 89180 | 70820 | 160000 | 25.00 | 89180 | 70820 | 160000 | 25.00 | 0.00 |
| TOTAL (A)+(B) | 569180 | 70820 | 640000 | 100.00 | 569180 | 70820 | 640000 | 100.00 | |
| C) Shares held by Custodians and against which Depository Receipts have been issued | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| GRAND TOTAL (A)+(B)+(C) | 569180 | 70820 | 640000 | 100.00 | 569180 | 70820 | 640000 | 100.00 | 0.00 |

Note: The Company has allotted 390593 equity shares on 29th May, 2017 pursuant to the Scheme of Amalgamation to the Shareholders of Aroni Commercial Limited which has been shown as “Shares Pending Allotment” in Balance Sheet for the year ended 31st March, 2017. The shares were issued in the prescribed ratio i.e. 1:9 shares to the shareholders of Aroni Commercial Limited and paid up Sharecapital of the company after merger is Rs. 1,03,05,930/-

ii) Share Holding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year 01.04.2016 | | | Shareholding at the end of the year 31.03.2017 | | | % 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 | |
| 1 | Ashwin Kumar Kothari | 64500 | 10.08 | 0 | 64500 | 10.08 | 0 | 0.00 |
| 2 | Ashwin Kumar Kothari (Smaller HUF) | 63000 | 9.84 | 0 | 63000 | 9.84 | 0 | 0.00 |
| 3 | Ashwin Kumar Kothari (HUF) | 63000 | 9.84 | 0 | 63000 | 9.84 | 0 | 0.00 |
| 4 | Panna Lal C Kothari Huf | 53050 | 8.29 | 0 | 53,050 | 8.29 | 0 | 0.00 |
| 5 | Rohit Kothari | 44630 | 6.97 | 0 | 44,630 | 6.97 | 0 | 0.00 |
| 6 | Meena A Kothari | 20500 | 3.20 | 0 | 20500 | 3.20 | 0 | 0.00 |
| 7 | Winro Commercial (India) Ltd | 104970 | 16.40 | 0 | 104970 | 16.40 | 0 | 0.00 |
| 8 | Four Dimensions Securities (India) Ltd | 33900 | 5.30 | 0 | 33900 | 5.30 | 0 | 0.00 |
| 9 | Four Dimensions Commodities Pvt Ltd | 31000 | 4.84 | 0 | 31000 | 4.84 | 0 | 0.00 |
| 10 | Sam-Jag-Deep Investments Private Limited | 1450 | 0.23 | 0 | 1450 | 0.23 | 0 | 0.00 |
| | Total | 480,000 | 75.00 | 0 | 480,000 | 75.00 | 0 | 0.00 |

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

| Particulars | Shareholding at the beginning of the year i.e. 01.04.2016 | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No.of Shares | % of total Shares of the company | No.of Shares | % of total Shares of the company |
| At the beginning of the year | THERE IS NO CHANGE IN PROMOTER HOLDING | | | |
| Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat/equity etc): | | | | |
| At the End of the year | | | | |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| Sr.No. | Name of the Shareholder | Reason | No of Shares at the beginning of the year | % of total shares of the company at the beginning of the year | Cumulative Shares during the year | % of total shares of the company during the year |
|--------|--------------------------------------|------------------------------|---|---|-----------------------------------|--|
| 1 | Angular Trading Pvt Ltd | At the beginning of the year | 31,966 | 4.99 | 31,966 | 4.99 |
| | | At the end of the year | 0 | 0.00 | 31,966 | 4.99 |
| 2 | G R N Finsec Private Limited | At the beginning of the year | 31,964 | 4.99 | 31,964 | 4.99 |
| | | At the end of the year | 0 | 0.00 | 31,964 | 4.99 |
| 3 | Nirmal Bang Equities Private Limited | At the beginning of the year | 25,250 | 3.95 | 25,250 | 3.95 |
| | | At the end of the year | 0 | 0.00 | 25,250 | 3.95 |
| 4 | Luv Kush Projects Ltd. | At the beginning of the year | 20,000 | 3.13 | 20,000 | 3.13 |
| | | At the end of the year | 0 | 0.00 | 20,000 | 3.13 |
| 5 | Panchmukhi Properties Ltd. | At the beginning of the year | 12,000 | 1.88 | 12,000 | 1.88 |
| | | At the end of the year | 0 | 0.00 | 12,000 | 1.88 |
| 6 | Bihariji Commercials Ltd. | At the beginning of the year | 10,000 | 1.56 | 10,000 | 1.56 |
| | | At the end of the year | 0 | 0.00 | 10,000 | 1.56 |
| 7 | Meeraj Multiweb Inds Ltd. | At the beginning of the year | 10,000 | 1.56 | 10,000 | 1.56 |
| | | At the end of the year | 0 | 0.00 | 10,000 | 1.56 |
| 8 | Shri Deviprasad Poddar | At the beginning of the year | 5,050 | 0.79 | 5,050 | 0.79 |
| | | At the end of the year | 0 | 0.00 | 5,050 | 0.79 |
| 9 | Bihariji Commercial Ltd. | At the beginning of the year | 5,000 | 0.78 | 5,000 | 0.78 |
| | | At the end of the year | 0 | 0.00 | 5,000 | 0.78 |
| 10 | Shri P.M.S. Nambisan | At the beginning of the year | 5,000 | 0.78 | 5,000 | 0.78 |
| | | At the end of the year | 0 | 0.00 | 5,000 | 0.78 |

(v) Shareholding of Directors & Key Managerial Personnel

None of the Directors or KMP hold any shares in the company

| For Each of the Directors & KMP | Shareholding at the end 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 |
| At the beginning of the year | - | - | - | - |
| Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | - | - | - | - |
| At the End of the year | - | - | - | - |

V INDEBTEDNESS

| Indebtedness of the Company including interest outstanding/accrued but not due for payment | | | | | |
|--|------------------------------|----------------------------------|----------------------|----------|----------------------|
| Particulars | | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | | |
| i) | Principal Amount | - | 422,282,033 | - | 422,282,033 |
| ii) | Interest due but not paid | - | - | - | - |
| iii) | Interest accrued but not due | - | 40,387,241 | - | 40,387,241 |
| Total (i+ii+iii) | | - | 462,669,274 | - | 462,669,274 |
| Change in Indebtedness during the financial year | | | | | |
| Additions | | 4,111,982,783 | 702,058,266 | - | 4,814,041,049 |
| Reduction | | 4,031,982,783 | 1,124,340,299 | - | 5,156,323,082 |
| Net Change | | 80,000,000 | (422,282,033) | - | (342,282,033) |
| Indebtedness at the end of the financial year | | | | | |
| i) | Principal Amount | 80,000,000 | - | - | 80,000,000 |
| ii) | Interest due but not paid | - | - | - | - |
| iii) | Interest accrued but not due | 106,520 | 2,813,613 | - | 2,920,133 |
| Total (i+ii+iii) | | 80,106,520 | 2,813,613 | - | 82,920,133 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: Not Applicable

| Sl.No | Particulars of Remuneration | Name of the MD/WTD/Manager | | | Total Amount |
|-----------|--|----------------------------|---|---|--------------|
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax, 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 | - | - | - | - |
| 2. | Stock option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission | - | - | - | - |
| | as % of profit | - | - | - | - |
| | others (specify) | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| | Total (A) | - | - | - | - |
| | Ceiling as per the Act | - | - | - | - |

B. Remuneration to other directors: No remuneration is been paid to the Directors of the company.

| Sl.No | Particulars of Remuneration | Name of the Directors | | | Total Amount |
|-------|--|-----------------------|---|---|--------------|
| 1. | Independent Directors | - | - | - | - |
| | (a) Fee for attending board committee meetings | - | - | - | - |
| | (b) Commission | - | - | - | - |
| | (c) Others, please specify | - | - | - | - |
| | Total (1) | - | - | - | - |
| 2. | Other Non Executive Directors | - | - | - | - |
| | (a) Fee for attending board committee meetings | - | - | - | - |
| | (b) Commission | - | - | - | - |
| | (c) Others, please specify. | - | - | - | - |
| | Total (2) | - | - | - | - |
| | Total (B)=(1+2) | - | - | - | - |
| | Total Managerial Remuneration | - | - | - | - |
| | Overall Cieling as per the Act. | - | - | - | - |

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

| Sl.No | Particulars of Remuneration | | Key Managerial Personnel | | | |
|-------|-----------------------------|--|--------------------------|-------------------------------------|--------------------------|------------------|
| | | | Rajiv Pathak CEO | Ekta Kumari Company Secretary | Vaishali Dhuri CFO | Total |
| 1. | Gross Salary | | | | | |
| | (a) | Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 2,275,623 | 152,400 | 809,585 | 3,237,608 |
| | (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 | - | - | - | - |
| 2. | Stock Option | | - | - | - | - |
| 3. | Sweat Equity | | - | - | - | - |
| 4. | Commission | | | | | |
| | as % of profit | | - | - | - | - |
| | others, specify | | - | - | - | - |
| 5. | Others, please specify | Conveyance Reimbursement | 12,407 | - | 9,479 | 21,886 |
| | | Telephone Reimbursement | - | - | 5,590 | 5,590 |
| | | Medical Insurance Premium | - | - | 10,884 | 10,884 |
| | Total | | 2,288,030 | 152,400 | 835,538 | 3,275,968 |

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES-NIL

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

ANNEXURE 3

ANNEXURES TO THE DIRECTORS' REPORT ANNUAL REPORT ON 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:**

Company's CSR policy is aimed at the betterment of society, communities, health care and education. During the year 2016-2017, company has contributed towards the betterment of the following:

1. Education for poor
2. Medical Facility for Poor
3. Sanitation Facility

Corporate Social Responsibility Policy of the company can be accessed on the website of the Company at - (www.saraswaticommercial.com) or can be accessed through the following link - http://www.saraswaticommercial.com/policies/CSR%20Policy_SARASWATI.pdf

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

Ms. Babita Thakar - Chairperson
 Mr. Ketan Desai - Member
 Mr. Harisingh Shyamsukha - Member

3. **Average net profit of the Company for last three financial years: Rs. 113,025,025** (Average is calculated after adding profit of transferer company M/s. Aroni Commercials Limited.)

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): 2,260,500/-**

5. **Details of CSR spent during the financial year**

- (a) Total amount to be spent for the financial year – 2,260,500/-
- (b) Total amount spent for the financial year – 27,00,000/-
- (c) Manner in which the amount spent during the financial year is detailed below

| | |
|--|--|
| CSR project or activity identified | Contribution to the corpus of Aroni Charitable Trust |
| Sector in which the Project is covered | Promoting health care and Education |
| Projects or programs | |
| (1) Local Area or other | Maharashtra, Rajasthan, Gujarat and Madhya Pradesh |
| (2) Specify the State and district where projects or programs was undertaken | |
| Amount outlay (budget) projects or program wise | Rs. 27,00,000/- |
| Amount spent on the projects or programs | |
| (1) Direct expenditure on projects or program | Rs. 27,00,000/- |
| (2) Overheads | |
| Cumulative expenditure upto the reporting period | Rs. 27,00,000/- |
| Amount spent: | Aroni Charitable Trust |
| Direct or through implementing agency* | |

***Details of implementing Agency:**

Aroni Charitable Trust is a registered charitable trust which works for the upliftment of people in all ways and for their educational, medical and social welfare. Its main activities relate to:

- Promoting education for poor & needy, especially for poor girls.
- Promoting preventive health care and sanitation in rural areas
- Assisting poor & needy people for Medical expense such as hospitalization, medicines etc.
- Eradicating hunger and poverty
- Upliftment of the weaker section of the society.

6. Responsibility Statement

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

Sd/-

Rajiv Pathak

Chief Executive Officer

Sd/-

Babita Thakar

Chairperson, CSR Committee

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Industry structure and developments

Global economic activity continues to be weak, especially in the emerging market economies. While the downside risks to recover in some advanced economies have eased, major emerging market economies continue to contend with weak growth and still elevated inflation amidst tighter financial conditions. Indian economy has seen consistent improvement with Gross Domestic Product (GDP) growth for FY 2016 estimated between 7.5%-7.8% despite global slowdown. There has been improvement in macro-economic data such as Fiscal Deficit, Current Account Deficit (CAD), WPI as well CPI Inflation. However concerns remain on the front of Industrial Production, Exports and Rural Economy. On account of fall in inflation, RBI has cut the Repo by 25 bps to 6.5%, SLR by 25 bps to 21.25% of NDTL and maintained the CRR at 4%. The above steps are expected to improve liquidity situation as well as bring down overall cost of borrowings for Indian Companies.

Non-Banking Finance Companies (NBFCs) are an integral part of the country's financial system because of their complementary as well as competitive role. They act as a critical link in the overall financial system catering to a large market of niche customers. NBFCs are regulated by the Reserve Bank of India (RBI) almost at par with banks. All the prudential norms for asset classification, income recognition, provisioning etc., are applicable to NBFCs in India.

Capital Market

FY 16-17 has been a great year for the capital markets, with NIFTY reaching new highs. The return is largely led by re-rating in valuations, which has naturally given the turnaround in the political as well as economic set up.

(b) Opportunities and threats

Indian Economy provides excellent growth opportunities as the increased thrust to power, road, ports, telecom and other urban infrastructure projects will create a positive environment for the Investment and Financial Services Industry in India. Further, growth of service sector also presents new opportunities for Investment and Financial Services Industry in India.

(c) Segment-wise or product-wise performance

The Company operates only in single segment. As per Accounting Standard (AS) 17 the segment reporting is done only in Finance and Investment. The Company has earned revenue of Rs. 1075.10 Lacs as compared to Rs. 9268.91 Lacs in the previous year.

(d) Outlook

The outlook for FY 2017 is promising, with commitments of the Government to continue with economic and legislative reforms, and India is expected to be the fastest growing economy in the world. Company is well positioned to face these challenges and capitalise on the opportunities arising out of the economic transformation of India

(e) Risks and Concerns

The Company is exposed to the market risk and credit risk. It is further exposed to risk of economic cycle. The company manages these risks by remaining very conservative and following requisite risk management practices.

(f) Internal Control Systems and their adequacy:

As a part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit system reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. These systems and procedures provide reasonable assurance of maintenance of proper accounting records, reliability of financial information, protection of resources and safeguarding of assets against unauthorized use. The management regularly reviews the internal control systems and procedures.

(g) Discussions on Financial Performance with respect to Operational Performance:

(Rs. in Lacs)

| Highlights | 2016-2017 | 2015-2016 |
|---|------------------|------------------|
| Revenue from Operations and other income | 1075.10 | 1908.32 |
| Profit before Interest, Depreciation and Tax | 513.94 | 1383.62 |
| Finance cost | 284.01 | 420.18 |
| Depreciation | 3.18 | 0.11 |
| Provision for Taxation (Including Deferred Tax & MAT) | 24.83 | 93.80 |
| Net Profit after Tax | 522.40 | 1383.26 |
| Earnings per Share (in Rs.) | 81.63 | 216.14 |

Note: The above figures are not comparable as the current year's figures has been derived after the merger of Saraswati Commercial (India) Limited and Aroni Commercials Limited.

(h) Human Resource Development

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.

(i) Cautionary Statements

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include significant changes in political and economical conditions in India and internationally, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the company's business as well as the ability to implement strategies. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

(A) Company's Philosophy on Code of Corporate Governance

The philosophy of governance has been deeply rooted in the culture of the Company over a long period of time. The Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled the Company to maintain sustainability, while meeting the expectations of all stakeholders and the society at large. Besides complying with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company has adopted various practices and set reasonable standards for conducting business. The Company endeavours to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

The Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Regulations.

GOVERNANCE STRUCTURE

The Company's Governance structure consists of

- Board of Directors,
- Committees of Board
- The Management.

(B) Board of Directors

(i) Board Composition

The composition of the Board is in conformity with Regulation 17(1) of Listing Regulation as well as the Companies Act, 2013. The Company has a well-balanced Board of Directors with members from diverse backgrounds who have experience and expertise in various fields and it has optimal combination of Non-Executive and Independent Directors. As on the date of report the Board comprised of Four Non – Executive Directors of which two are Independent Directors. The Chairman of the Board is a Non-Executive Director.

The constitution of the Board is as given below:

| Director | Executive/Non-Executive/ Independent | Number of other | | |
|--------------------------|---|-----------------|------------------------|--------------------------|
| | | Directorships* | Committee Memberships# | Committee Chairmanships# |
| Mr. Harisingh Shyamsukha | Chairman, Non-Executive | 1 | 0 | 0 |
| Mr. Anil Rajan** | Non-Executive Director | 0 | 0 | 0 |
| Mr. Ketan Desai | Non-Executive, Independent Director | 1 | 2 | 0 |
| Ms. Babita Thakar | Non – Executive Independent Director | 0 | 0 | 0 |
| Mr. V V Sureshkumar** | Non-Executive Director | 5 | 1 | 0 |

* Other Directorships exclude Directorships held in Private Limited Companies and in Saraswati Commercial (India) Limited.

#Committee of Directors includes Audit Committee and Stakeholder Relationship Committee of Directors only. Committee Membership does not include Membership in Committee of Directors of SCIL.

**Mr. V V Sureshkumar was appointed w.e.f. 14.08.2017 & Mr. Anilkumar Rajan was resigned w.e.f. 10.08.2017

(ii) Board Meetings and Attendance of Directors

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

Nine (9) Board Meeting were held during the year ended 31st March, 2017. The dates of such Board Meetings are 09.04.2016, 27.05.2016, 16.06.2016, 11.08.2016, 05.10.2016, 24.10.2016, 07.11.2016, 20.12.2016 & 13.02.2017.

The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2016-17 and the last AGM:

| Name of the Directors | Number of Board Meetings held | Number of Board Meetings attended | Whether attended last AGM |
|--------------------------|-------------------------------|-----------------------------------|---------------------------|
| Mr. Harisingh Shyamsukha | 9 | 9 | Yes |
| Mr. Anil Rajan | 9 | 9 | Yes |
| Mr. Ketan Desai | 9 | 9 | Yes |
| Ms. Babita Thakar | 9 | 9 | Yes |

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/ Committees of the Board of other companies. None of the directors are related with any directors of the Board.

(iii) Shares held by Non-Executive Directors as on 31st March, 2017

| Name of the Non-Executive Director | Equity Shares held (No.) |
|------------------------------------|--------------------------|
| Ms. Babita Thakar | NIL |
| Mr. Harisingh Shyamsukha | NIL |
| Mr. Anil Rajan | NIL |
| Mr. Ketan Desai | NIL |

(iv) Familiarisation Programme for Independent Directors:

As provided in Sub-section (6) of Section 149 of the Companies Act, 2013, the company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

On their appointment, the Independent Directors were familiarized about the Company's operations and businesses. Interaction with the key executives of the Company is also facilitated.

The said program was conducted for the familiarization of Independent directors. The details of the same can found on the website of the company – www.saraswaticommercial.com & through the following link:

http://www.saraswaticommercial.com/policies/final%20Details_of_Familiarisation_Programme_SARASWATI-23-3-15.pdf

(C) Board Committees

To enable better and more focused attention on the affairs of the corporation, the Board delegate particular matters to the committee set up for the purpose. The committees prepare the groundwork for decision making and report at the subsequent Board meeting. Currently, the Board has following Committees –

1. Audit Committee
2. Stakeholder Relationship Committee.
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee*
6. Asset Liability Management Committee*

* As on 31st March, 2017 the company has crossed 500 crore asset size on group basis and thus Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are applicable to the company therefore pursuant to Regulation 68 (3) & Regulation 107 of the said Directions, the company constituted an Risk Management Committee & Asset Liability Management Committee on 24.07.2017 respectively.

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.

(i) Audit Committee

- The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies(Meetings of Board and its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia includes the following:
 - a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - d) Reviewing and examining, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Modified opinion(s) in the draft audit report.
 - e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - h) approval or any subsequent modification of transactions of the listed entity with related parties;
 - i) scrutiny of inter-corporate loans and investments;
 - j) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - k) evaluation of internal financial controls and risk management systems;
 - l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) discussion with internal auditors of any significant findings and follow up there on;
- o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the audit committee

• **The audit committee shall mandatorily review the following information:**

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of Deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Composition of the Audit Committee

The Audit Committee comprises of three Non-Executive Directors of which two are Independent Directors. The quorum for the Audit Committee Meeting is two members with at least 2 Independent Directors.

The composition of the Audit Committee is as follows:

1. Ms. Babita Thakar - Chairperson (Non-Executive Independent Director)
2. Mr. Harisingh Shyamsukha - Member (Non-Executive Director)
3. Mr. Ketan Desai - Member (Non-Executive Independent Director)

Audit Committee Meetings and Attendance during the financial year ended 31st March, 2017

During the financial year ended 31st March, 2017, Five (5) Audit Committee Meetings were held on 09.04.2016, 27.05.2016, 11.08.2016, 07.11.2016 and 13.02.2017. The table hereunder gives the attendance record of the Audit Committee members.

| Name of the Member | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|--------------------------|
| Ms. Babita Thakar | 5 | 5 |
| Mr. Harisingh Shyamsukha | 5 | 5 |
| Mr. Ketan Desai | 5 | 5 |

The Committee has recommended to the Board the appointment of M/s. Ajay Shobha & Co., Chartered Accountants, as the statutory and independent auditors of the Company for the Financial Year 2017-2018 and that necessary resolution for appointing them as auditors be placed before the shareholders.

(ii) Stakeholder Relationship Committee:

The Stakeholder Relationship Committee is headed by a Non-Executive Independent Director and consisted of the following members as on date of this report:

Composition:

- Ms. Babita Thakar - Chairperson (Non-Executive Independent Director)
- Mr. Harisingh Shyamsukha - Member (Non-Executive Director)
- Mr. Ketan Desai - Member (Non-Executive Independent Director)

Ms. Ekta Kumari, is the Company Secretary & Compliance Officer of the Company. The Company appointed "TSR Darashaw Private Limited." as its Registrar and Share Transfer Agent for the redressal of investor's grievance and share transfer process. The RTA has acted upon all valid share transfers received during the year 2016-2017.

During the Financial Year ended 31st March, 2017, the aforesaid Committee met 4 times dated 27.05.2016, 11.08.2016, 07.11.2016 & 13.02.2017.

| Members | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|--------------------------|
| Ms. Babita Thakar | 4 | 4 |
| Mr. Harisingh Shyamsukha | 4 | 4 |
| Mr. Ketan Desai | 4 | 4 |

Scope of the Shareholders Relationship Committee:

The Stakeholders' Relationship Committee deals with matters relating to shareholders/investors grievances viz. non-receipt of Annual Reports, non-receipt of declared Dividend and its redressal etc.

Details of Shareholders' complaints received, not solved and pending during the Financial Year ended 31st March, 2017:

Number of Shareholders' Complaints received during the financial year 1st April, 2016 to 31st March, 2017: NIL

Number of complaints not resolved to the satisfaction of shareholders: NIL

Number of pending share Transfers/complaints: NIL

(iii) Nomination and Remuneration Committee

The Nomination & Remuneration Committee is headed by a Non-Executive Independent Director and consisted of the following members as on date of this report:

Composition:

- Ms. Babita Thakar - Chairperson (Non-Executive Independent Director)
- Mr. Harisingh Shyamsukha - Member (Non-Executive Director)
- Mr. Ketan Desai - Member (Non-Executive Independent Director)

The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors.

Terms of Reference:

This includes:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director
- Recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down; and recommend to the Board their appointment and removal.

The aforesaid Committee met twice dated 11.08.2016 & 13.02.2017, during the Financial Year from 1st April, 2016 to 31st March, 2017.

| Members | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|--------------------------|
| Ms. Babita Thakar | 2 | 2 |
| Mr. Harisingh Shyamsukha | 2 | 2 |
| Mr. Ketan Desai | 2 | 2 |

Remuneration of Directors:

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

None of the director was paid any remuneration or sitting fees during the year 2016-2017. Presently, the Company does not have any stock option plan or performance linked incentives for its directors.

(iv) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee is headed by Mrs. Babita Thakar, Non-Executive Independent Director and consisted of the following members as on date of this report:

Composition:

1. Ms. Babita Thakar - Chairperson (Non-Executive Independent Director)
2. Mr. Harisingh Shyamsukha - Member (Non-Executive Director)
3. Mr. Ketan Desai - Member (Non-Executive Independent Director)

The committee met once during the financial year 2016-2017 on 13.02.2017

(v) Risk Management Committee

The Risk Management committee was constituted pursuant to Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 by the Board of Directors on its meeting held on 24th July 2017.

Composition:

1. Mr. Harisingh Shyamsukha - Chairman (Non-Executive Director)
2. Ms. Babita Thakar - Member (Non-Executive Independent Director)
3. Mr. V V Sureshkumar - Member (Non-Executive Director)

(vi) Asset Liability Management Committee

The Asset Liability Management committee was constituted pursuant to Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 by the Board of Directors on its meeting held on 24th July 2017.

Composition:

1. Mr. Harisingh Shyamsukha - Chairman (Non-Executive Director)
2. Ms. Babita Thakar - Member (Non-Executive Independent Director)
3. Mr. V V Sureshkumar - Member (Non-Executive Director)
4. Mr. Rajiv Pathak - Chief Executive Officer

INDEPENDENT DIRECTOR MEETING

The following are Independent Directors of the Company:

1. Ms. Babita Thakar
2. Mr. Ketan Desai

The Independent Directors met once during the financial year viz. on 20th December, 2016 inter-alia, to consider

- the performance for Non-Independent Directors and the Board as a whole.
- the performance of the Chairman of the Company.
- assessing the quality, quantity and timeliness of flow of information.

The web link where details of Familiarization programmes are imparted to Independent Directors is at <http://www.saraswaticommercial.com/policies/Details%20of%20Familiarisation%20Programme%20-%20SCIL-%2020.12.2016.pdf>

(D) General Body Meetings:

Details of Generals Meetings held in last three years are given hereunder

| Particulars | Year | Date | Venue | Time | Details of Special Resolution |
|------------------------|-----------|------------|---|------------|---|
| 31 st AGM | 2013-2014 | 13/09/2014 | Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 | 12.00 a.m. | <ul style="list-style-type: none"> • Approval of Borrowing limits of the Company u/s 180 (1) (c) of the Companies Act, 2013 • Approval for contributing, donating etc to any charitable, public, social, benevolent or general fund, society, association, institutions, trust, etc under section 181 of the Companies Act, 2013 • Approval for Adoption of New Articles of Association of the company in terms of the companies Act, 2013 |
| 32 nd AGM | 2014-2015 | 25/09/2015 | Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 | 2.00 p.m. | No Special Resolution |
| 33 rd AGM | 2015-2016 | 27/09/2016 | Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 | 2.00 p.m. | No Special Resolution |
| Court Convened Meeting | 2016-2017 | 10/11/2016 | Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 | 3.00 p.m. | <ul style="list-style-type: none"> • Approval of the Scheme of Amalgamation of Aroni Commercials Limited (Transferor Company) with Saraswati Commercial (India) Limited (Transferee Company) |

Postal ballots - Procedure & Results

During the year, pursuant to the provisions of the Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has passed certain resolutions through Postal Ballot, as per the details mentioned below:

The Company as per the Postal Ballot notice dated 5th October, 2016, passed Special Resolutions for approval of Scheme of Amalgamation of Aroni Commercials Limited (“Transferor Company”) with Saraswati Commercial (India) Limited (“Transferee Company” or Applicant Company).

Further there is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

The Company had appointed Mr. Nishant Jawasa, Practicing Company Secretary as Scrutinizer to conduct the Postal Ballot process in affair and transparent manner.

Details of Voting Patterns

Agenda – To Approve the Scheme of Amalgamation of Aroni Commercials Limited (Transferor Company) with Saraswati Commercial (India) Limited (Transferee Company)

| Resolution required: (Ordinary/ Special) | | | Majority of the Public Category of Equity Shareholders assenting to the Resolution. | | | | | |
|---|----------------|-------------------|---|---------------------|--------------------------|------------------------|--------------------------------------|------------------------------------|
| Whether promoter/ promoter group are interested in the agenda/resolution? | | | Yes, However the Promoter and Promoter have not voted on the Proposed Resolution. | | | | | |
| Category | Mode of Voting | No.of shares held | No.of votes polled | % of Votes Polled | No. of Votes – in favour | No. of Votes – against | % of Votes in favour on votes polled | % of votes against on votes polled |
| | | (1) | (2) | (3)=[(2)/ (1)]* 100 | (4) | (5) | (6)=[(4)/ (2)]*100 | (7)=[(5)/ (2)]*100 |
| Promoter and Promoter Group | E-Voting | 480000 | | | | | - | - |
| | Poll- N.A. | | - | - | - | - | - | |
| | Postal Ballot | | - | - | - | - | - | |
| | Total | | - | - | - | - | - | |
| Public - Institutions | E-Voting | 0 | - | - | - | - | - | - |
| | Poll- N.A. | | - | - | - | - | - | |
| | Postal Ballot | | - | - | - | - | - | |
| | Total | | - | - | - | - | - | |
| Public - Non Institutions | E-Voting | 160000 | 99190 | 61.99% | 99190 | NIL | 100% | NIL |
| Public - Non Institutions | Poll- N.A. | | - | - | - | - | - | - |
| Public - Non Institutions | Postal Ballot | | - | - | - | - | - | - |
| Public - Non Institutions | Total | | 99190 | 61.99% | 99190 | NIL | 100% | NIL |
| Total | | 640000 | 99190 | 15.50% | 99190 | NIL | 100% | NIL |

(E) Disclosures:

(i) Related Party Transactions:

None of the transactions with any of the related parties were in conflict with the interest of the Company.

Transactions with the related parties are disclosed in Note No. 26 to the ‘Notes on Accounts’ annexed to the Financial Statements for the year under review. Web link of the policy on dealing in related party transactions forms the part of Directors’ Report.

(ii) Compliances by the Company:

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years/period.

(iii) Whistle Blower Policy:

The Company has formulated a Vigil Mechanism/Whistle Blower Policy with a view to provide a mechanism for Directors and employees to approach the Audit Committee or any member of Audit Committee. During the year under review no employee was denied access to the chairperson of Audit Committee. The said policy has been also put up on the website of the Company at www.saraswaticommercial.com & the web link of the said policy forms the part of Directors' Report

(iv) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The Company has complied with the mandatory requirement of the Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not implemented the non-mandatory requirements except stated otherwise in this Annual Report.

(v) Policy on Material Subsidiaries:

The Company has a policy for determining material subsidiaries which is disclosed in its website at the following link:

http://www.saraswaticommercial.com/policies/Policy-for-Determination-of-Materiality_Saraswati.pdf

(F) Means of Communication:

- (i) The quarterly results of the Company are published in two newspapers in compliance with Regulation 47 of the SEBI (LODR) Regulations, 2015;
- (ii) The quarterly results were published in the following newspapers:

- | |
|---|
| <ol style="list-style-type: none"> 1. Business Standard (Nationwide edition) 2. Mumbai Lakshadeep (in Mumbai) |
|---|

The quarterly results as well as the proceedings of the Annual General Meeting were uploaded on the portal of BSE Limited i.e. listing.bseindia.com immediately after the conclusion of the respective meetings.

The results are also displayed on the Company's website at www.saraswaticommercial.com

- (iii) As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all periodical information, including the statutory filings and disclosures, are sent to BSE Limited. The filings required to be made under the same for each quarter are also filed on BSE Listing Centre.
- (iv) No presentations were made to the institutional investors or to analysts during the year under review.
- (v) Redressal of Investor Grievances through SEBI Complaints Redressal System (SCORES)**

SCORES (SEBI Complaints and Redressal System) is a centralized web based grievance redressal system launched by SEBI (<http://scores.gov.in>). SCORES provide a platform for aggrieved investors, whose grievances, pertaining to securities market, remain unresolved by the concerned listed company or registered intermediary after a direct approach. This enables the market intermediaries and listed Companies to check the complaints online from investors, redress such complaints and report redressal online. All the activities starting from lodging of a complaint till its closure by SEBI would be handled in an automated environment and the complainant can view the status of his complaint online. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form at any of the offices of SEBI. Such complaints would be scanned and also uploaded in SCORES for processing.

(G) General Shareholders' Information:

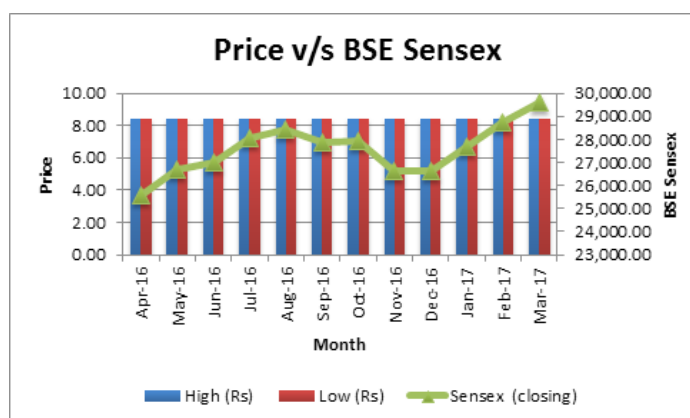
| | | |
|-------|---|---|
| (i) | CIN | L51909MH1983PLC166605 |
| (ii) | Date, time and venue of Annual General Meeting of Shareholders | 28 th September, 2017, 4.30 P.M. Oricon House, 6 th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001 |
| (iii) | Financial Year / Financial Calendar (tentative and subject to change) | The financial year of the company starts from April 1 st and ends on March 31 st of the succeeding year. |
| (iv) | Dates of book closures | Monday, 25 th September 2017 to Thursday, 28 th September 2017 (both days inclusive) |
| (v) | Registered Office | 209-210, Arcadia Building, 2 nd Floor, Plot No.195, Nariman Point, Mumbai – 400021 Tel. No.: 022 – 6638 8600 / 6670 8600 Fax No.: 022 – 6638 8610/66708650 |
| (vi) | Listing on stock exchanges | The Equity Shares of the Company are listed on: - BSE Limited - Annual Listing Fees as prescribed has been paid to the said Stock Exchange for the year 2017 – 2018. |
| (vii) | Stock Exchange Code | 512020 (BSE Limited) |

(viii) Stock Market price data

Monthly high and low at the Bombay Stock Exchange Limited for financial year ended 31st March, 2017:

| Month | High Rs. | Low Rs. | BSE Sensex (Closing) |
|----------------|----------|---------|----------------------|
| April 2016 | 8.40 | 8.40 | 25,606.62 |
| May 2016 | 8.40 | 8.40 | 26,667.96 |
| June 2016 | 8.40 | 8.40 | 26,999.72 |
| July 2016 | 8.40 | 8.40 | 28,051.86 |
| August 2016 | 8.40 | 8.40 | 28,452.17 |
| September 2016 | 8.40 | 8.40 | 27,865.96 |
| October 2016 | 8.40 | 8.40 | 27,930.21 |
| November 2016 | 8.40 | 8.40 | 26,652.81 |
| December 2016 | 8.40 | 8.40 | 26,626.46 |
| January 2017 | 8.40 | 8.40 | 27,655.96 |
| February 2017 | 8.40 | 8.40 | 28,743.32 |
| March 2017 | 8.40 | 8.40 | 29,620.50 |

(ix) Performance in comparison to BSE Sensex:



(x) Registrar and Share Transfer Agents:**TSR Darashaw Limited**

6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road,
Nr. Famous Studio, Mahalaxmi
Mumbai – 400001

(xi) Share Transfer System:

Transfers in physical forms are generally registered by Registrar and Share Transfer Agents, M/s. TSR Darashaw Limited within a period of 30 days of receipt of documents complete in all respect. Invalid share transfers are returned within a period of 15 days from the date of receipt. The Stakeholder Relationship Committee of the Company meets as often as required.

(xii) Distribution of Shareholding as on 31st March, 2017:

| No. of Equity Shares held | Shareholders | | Shares | |
|---------------------------|--------------|-------------------------|--------|--------------------|
| | Number | % to total Shareholders | Number | % to total Capital |
| 1 - 500 | 770 | 0.12 | 9 | 29.03 |
| 501 - 1,000 | 1,000 | 0.16 | 1 | 3.23 |
| 1,001 - 2,000 | 3,450 | 0.54 | 2 | 6.45 |
| 4,001 - 5,000 | 15,000 | 2.34 | 3 | 9.68 |
| 5,001 - 10,000 | 55,050 | 8.60 | 6 | 19.35 |
| 10,001 - & above | 564,730 | 88.24 | 10 | 32.26 |
| | 640,000 | 100.00 | 31 | 100.00 |

(xiii) Categories of Shareholding as on 31st March, 2017:

| No. of Equity Shares held | Shareholders | | Shares | |
|-------------------------------|--------------|-------------------------|---------------|--------------------|
| | Number | % to total Shareholders | Number | % to total Capital |
| PROMOTERS HOLDING | | | | |
| Indian Promoters | 10 | 32.26 | 480000 | 75.00 |
| Foreign Promoters | 0 | 0.00 | 0 | 0.00 |
| Total of promoter holding | 10 | 32.26 | 480000 | 75.00 |
| NON- PROMOTER HOLDING | | | | |
| Institutional Investors | 0 | 0.00 | 0 | 0.00 |
| FII's | 0 | 0.00 | 0 | 0.00 |
| Others | | | | |
| Corporate Bodies | 8 | 25.81 | 146180 | 22.84 |
| Indian Public | 13 | 41.94 | 13820 | 2.16 |
| NRIs / OCBs | 0 | 0.00 | 0 | 0.00 |
| Clearing Member | 0 | 0.00 | 0 | 0.00 |
| Total of non-promoter holding | 21 | 67.74 | 160000 | 25.00 |
| Grand Total | 31 | 100.00 | 640000 | 100.00 |

(xiv) Dematerialisation of shares and liquidity

ISIN for Dematerialization is INE967G01019

| Name of Depository | Position as on 31.03.17 (No. of shares) | % of Total Issued Capital |
|---------------------|---|---------------------------|
| NSDL | 483180 | 75.50% |
| CDSL | 86000 | 13.44% |
| Physical | 70820 | 11.06% |
| Total No. of shares | 640000 | 100.00% |

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the stock exchange where the Company's shares are listed. The audit confirms that the total listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

M/s. Nishant Jawaas & Associates, Company Secretary in Practice carried out Share Capital audit to reconcile the total admitted equity share capital with the NSDL and CDSL and total issued and listed equity share capital.

(xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

There are no GDR/ADR/Warrant or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

(xvi) Plant location:

The Company does not have any plant.

(xvii) Address for Correspondence: Registrar & Share Transfer Agent**TSR Darashaw Limited**

6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road,
Nr. Famous Studio, Mahalaxmi
Mumbai – 400001
Tel No: (022) 66178543
Fax No:(022)
Email-id: mumbai@linkintime.co.in

Avani Sanghavi

Company Secretary & Compliance Officer
Saraswati Commercial (India) Limited
209-210 Arcadia Building, 2nd floor,
195, Nariman Point, Mumbai- 400021.
Phone: (022) 6670 8600
Email: saraswati.investor@gcvl.in

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Saraswati Commercial (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by Saraswati Commercial (India) Limited (“the Company”), for the year ended on 3rd March, 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and 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 regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended 31st March, 2017.
4. We state that such compliance 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.

For and on behalf of
Nishant Jawa & Associates
Company Secretaries

Place: Mumbai
Date: August 14, 2017

Sd/-
Nishant Jawa
Proprietor
FCS No.: 6557

CONFIRMATION CERTIFICATE REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY’S CODE OF CONDUCT

To
The Board of Directors
Saraswati Commercial (India) Limited

I confirm that the Company has received from the members of the Board and Senior Management team of the Company, declarations of compliance with the Code of Conduct as applicable to them during the financial year ended 31st March, 2017.

Place: Mumbai
Date: 29th May, 2017

Sd/-
Rajiv Pathak
CEO

CONFIRMATION CERTIFICATE

To
The Members
Saraswati Commercial (India) Limited

I confirm that the Company has received from all the Directors, a declaration of compliance in accordance with the provisions of Section 165 of the Companies Act, 2013 and Regulation 25 (1) & 26 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2017.

Place: Mumbai
Date: 29th May, 2017

Sd/-
Rajiv Pathak
CEO

CEO & CFO CERTIFICATION

To
The Board of Directors
Saraswati Commercial (India) Limited

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of their 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 their 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 that 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 if any 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 if any; 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.

Place: Mumbai
Date: 29th May, 2017

Sd/-
Vaishali Dhuri
Chief Financial Officer

Sd/-
Rajiv Pathak
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT

To

The Members Of

SARASWATI COMMERCIAL (INDIA) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SARASWATI COMMERCIAL (INDIA) LIMITED**, which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 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 principles generally accepted in India, including the Accounting Standards referred under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and Matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Standalone financial statements.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017
- b) In the case of the Statement of Profit and Loss, of the '**Profit**' for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2.17 to the Standalone Financial Statement which describes the Scheme of Amalgamation of Aroni Commercials Limited (Transferor Company) with Saraswati Commercial (india) Limited (Transferee Company), having appointed date 1st April 2015, sanctioned by the Hon'ble National Company Law Tribunal (NCLT) on 16th March, 2017.

All assets and liabilities of the transferor company are transferred, in the books of Transferee Company, at the value appearing in the books of account of Transferor Company as on appointed date.

Accordingly, the figures for the year ended 31st March 2017 and 31st March 2016 are not comparable. Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the 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 written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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 over separate report in 'Annexure B'; and
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our 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 Standalone financial statements – Refer Note. 25.1 to the Standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in Notification S.O 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedure performed and the representation provided to us by the management we report that disclosures are in accordance to the books of accounts maintained by the company and as produced to us by the management.

**For AJMERA AJMERA AND ASSOCIATES
FIRM REGISTRATION NO.123989W
CHARTERED ACCOUNTANTS**

**Sd/-
SANDEEP AJMERA
PARTNER
MEMBERSHIP NO. 048277**

**PLACE: MUMBAI
DATED: 29th May,2017**

Annexure 'A' to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2017, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As per the information and explanations given to us physical verification of fixed assets has been carried out once during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its business.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
2. The Inventory consists of equity shares and mutual fund units held in dematerialized form, Mutual Fund Statement and physical certificates . The Company verifies the balances in Depository Participant Account, Mutual Fund statements and physical certificates with Books at regular interval. In our opinion the frequency of verification is reasonable. On the basis of our examination of inventory records, in our opinion the company is maintaining proper records of inventory and there is no material discrepancies noticed.
3. The Company has granted unsecured loans to companies covered in the Register maintained under section 189 of the Act.
 - a. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company, which has been repaid during the period, were not prejudicial to the interest of the Company.
 - b. In respect of the aforesaid loans, the receipts of principal and interest were regular.
 - c. In respect of the aforesaid loans, no overdue amount of loans granted to companies listed in the register maintained under Sec on 189 of the Act.
4. 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to the information and explanations given to us and the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty excise , value added tax, cess and other statutory dues wherever applicable.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the following dues have not been deposited by the company on account of dispute:

| Sr. No. | Name of the statute | Nature of the due | Amount (Rs) | Period to which the amount relates | Forum where the dispute is pending | Amount paid under protest/ refund adjusted |
|---------|------------------------------|---|-------------|------------------------------------|--|--|
| 1 | Madhya Pradesh Sales Tax Act | Sale Tax Liabilities due to rejection of "C" Form & Pending "C" Forms | 80,22,602 | AY 1996-97 | The Deputy commissioner of commercial Tax has Redirected case to Assessing Officers for Reassessment | NIL |

| | | | | | | |
|----|----------------------|---|-----------|------------|---|----------|
| 2. | Income tax Act, 1961 | Demand raised u/s 143(3) of Income Tax Act, 1961 | 72,107 | AY 2010-11 | CIT(A) Order giving effect is pending | NIL |
| 3. | Income tax Act, 1961 | Rectification u/s 154 r.w.s 143 (3) dated 10 th February, 2015 | 2,90,483 | AY 2012-13 | Rectification filed u/s 154 of income tax Act, 1961 | 2,18,052 |
| 4. | Income Tax Act, 1961 | Rectification u/s 154 r.w.s 143(3) dated 25 th February, 2016 | 19,12,320 | AY 2013-14 | Rectification filed u/s 154 of income tax Act, 1961 | 2,49,598 |
| 5 | Income Tax Act, 1961 | Rectification u/s 154 r.w.s 143(3) dated 31 st Ocobert, 2016 | 86,300 | AY 2014-15 | Rectification filed u/s 154 of income tax Act, 1961 | - |

- 8 On the basis of our examination and according to the information and explanations given to us, the company has not defaulted in repayment of the dues to a bank with respect to its borrowings or to financial institution and debenture holders.
- 9 Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. However, the Company has used the term Loans for the purpose for which it was taken.
- 10 Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11 As per information and explanations given by the management no managerial remuneration has been paid or provided during the year and hence the provisions of section 197 read with Schedule V to the Companies Act are not applicable for the year under review.
- 12 In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order is not applicable to the Company.
- 13 In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- 14 Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.
- 15 Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- 16 The company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and has obtained registration vide registration no. 13.01860 dated 27th April, 2007

**For AJMERA AJMERA AND ASSOCIATES
FIRM REGISTRATION NO.123989W
CHARTERED ACCOUNTANTS**

**Sd/-
SANDEEP AJMERA
PARTNER
MEMBERSHIP NO. 048277**

**PLACE: MUMBAI
DATED: 29th May, 2017**

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SARASWATI COMMERCIAL (INDIA) LIMITED

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

We have audited the internal financial controls over financial reporting of SARASWATI COMMERCIAL (INDIA) LIMITED. (“The Company”) as of 31st March, 2017 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”. 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 judgement, 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 AJMERA AJMERA AND ASSOCIATES
FIRM REGISTRATION NO.123989W
CHARTERED ACCOUNTANTS**

**Sd/-
SANDEEP AJMERA
PARTNER
MEMBERSHIP NO. 048277**

**PLACE: MUMBAI
DATED: 29th May, 2017**

BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Note No. | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|----------|------------------------------------|------------------------------------|
| | | Rs | Rs |
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 3 | 6,400,000 | 6,400,000 |
| (b) Reserves and surplus | 4 | 1,150,709,449 | 345,570,296 |
| | | 1,157,109,449 | 351,970,296 |
| 2 Shares pending allotment | 2.17 | 3,905,930 | |
| 3 Non-current liabilities | | | |
| (a) Long-term provisions | 5 | 2,001,848 | 326,921 |
| 4 Current liabilities | | | |
| (a) Short term borrowings | 6 | 80,000,000 | 422,282,033 |
| (b) Trade Payables | | | |
| total outstanding dues of : | | | |
| (i) Micro enterprises and Small enterprises | | - | - |
| (ii) Creditors other than micro enterprises and Small enterprises | 7 | 77,276,540 | - |
| (c) Other current liabilities | 8 | 6,691,596 | 46,547,104 |
| (d) Short-term provisions | 9 | 893,225 | 113,541 |
| | | 164,861,361 | 468,942,678 |
| TOTAL | | 1,327,878,588 | 821,239,895 |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 10 | 791,908 | 31,495 |
| (b) Non-current investments | 11 | 947,413,409 | 252,107,586 |
| (c) Deferred tax assets (net) | 12 | 24,894,208 | 9,609,069 |
| (d) Long-term loans and advances | 13 | 10,114,626 | 11,214 |
| | | 983,214,151 | 261,759,364 |
| 2 Current assets | | | |
| (a) Current investments | 14 | 24,557,680 | 254,130,183 |
| (b) Inventories | 15 | 11,636,701 | 186,136,516 |
| (c) Trade receivables | 16 | 26,742,245 | 61,984,076 |
| (d) Cash and Bank balance | 17 | 16,238,189 | 863,259 |
| (e) Short-term loans and advances | 18 | 253,430,884 | 48,375,328 |
| (f) Other current assets | 19 | 12,058,738 | 7,991,169 |
| | | 344,664,437 | 559,480,531 |
| TOTAL | | 1,327,878,588 | 821,239,895 |
| Significant Accounting Policies | 1 & 2 | | |

The accompanying notes are an integral part of the Financial Statements

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | Note No. | For the year ended | For the year ended |
|--|----------|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| 1 Revenue from operations | 20 | 64,389,355 | 92,434,282 |
| 2 Other income | 21 | 43,120,613 | 98,398,158 |
| 3 Total revenue (1+2) | | 107,509,968 | 190,832,440 |
| 4 Expenses | | | |
| (a) Employee benefits expense | 22 | 14,895,345 | 7,418,815 |
| (b) Finance costs | 23 | 28,400,690 | 42,018,613 |
| (c) Depreciation and amortisation expense | 10 | 318,466 | 11,003 |
| (d) Other expenses | 24 | 12,501,188 | 3,021,360 |
| Total expenses | | 56,115,689 | 52,469,791 |
| 5 Profit before exceptional and extraordinary items and tax (3 - 4) | | 51,394,279 | 138,362,649 |
| 6 Exceptional items | | - | - |
| 7 Profit before extraordinary items and tax (5 + 6) | | 51,394,279 | 138,362,649 |
| 8 Extraordinary items | | - | - |
| 9 Profit before tax (7 + 8) | | 51,394,279 | 138,362,649 |
| 10 Tax expense: | | | |
| (a) Current tax expense for current year | | 2,483,000 | 9,380,000 |
| (b) Current tax expense relating to prior years | | 1,768,637 | - |
| (c) Net current tax expense | | 4,251,637 | 9,380,000 |
| (d) Deferred tax | 12 | (5,097,833) | (9,344,177) |
| | | (846,196) | 35,823 |
| 11 Profit for the year (9 - 10) | | 52,240,475 | 138,326,826 |
| 12 Earnings per share (of Rs. 10/- each): | 28.1 | | |
| (a) Basic | | 81.63 | 216.14 |
| (b) Diluted | | 50.69 | 216.14 |
| Significant Accounting Policies | 1 & 2 | | |

The accompanying notes are an integral part of the Financial Statements

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | For the year ended | | For the year ended | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 31 st March, 2017 | 31 st March, 2017 | 31 st March, 2016 | 31 st March, 2016 |
| | Rs | Rs | Rs | Rs |
| A Cash flow from operating activities | | | | |
| Net Profit before extraordinary items and tax | | 51,394,279 | | 138,362,649 |
| Adjustments for: | | | | |
| Depreciation | 318,466 | | 11,003 | |
| Finance costs | 28,400,690 | | 42,018,613 | |
| Provision for Leave Salary | 339,523 | | 114,413 | |
| Reduction on restate the value of Current Investment | 10,086,929 | | - | |
| Provision for Standard assets | 779,684 | | 86,576 | |
| Interest on Income Tax | (172,096) | | (10,592) | |
| Dividend income | (42,522,957) | | (97,864,243) | |
| Sundry Balance written off | 5,000,001 | | - | |
| Long term capital Loss on Urban Infrastructure Opportunities Fund | 3,701,289 | | - | |
| Gain on sale of investments (net) | (84,507,617) | (78,576,088) | (131,423,696) | (187,067,926) |
| Operating profit / (loss) before working capital changes | | (27,181,809) | | (48,705,277) |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Inventories | 146,215,822 | | (84,562,981) | |
| Trade receivables | 35,241,831 | | (56,528,250) | |
| Short-term loans and advances | (75,380,768) | | (39,585,275) | |
| Long-term loans and advances | 43,850 | | (9,214) | |
| Other current assets | 3,626,420 | | (1,863,064) | |
| Adjustments for increase / (decrease) in operating liabilities: | | | | |
| Short-term Borrowings | (342,282,033) | | 98,182,033 | |
| Trade payables | 77,276,540 | | - | |
| Other current liabilities | (43,916,099) | | (9,743,117) | |
| Long-term provisions | 774,392 | | (392,952) | |
| Short-term provisions | - | (198,400,045) | - | (94,502,820) |
| | | (225,581,854) | | (143,208,097) |
| Cash flow from extraordinary items | | - | | - |
| Cash generated from operations | | (225,581,854) | | (143,208,097) |
| Net income tax paid | | (369,793) | | (11,808,740) |
| Net cash flow from / (used in) operating activities (A) | | (225,951,647) | | (155,016,837) |

| Particulars | For the year ended | | For the year ended | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 31 st March, 2017 | 31 st March, 2017 | 31 st March, 2016 | 31 st March, 2016 |
| | Rs | Rs | Rs | Rs |
| B Cash flow from investing activities | | | | |
| Capital expenditure on fixed assets, including capital advances | - | | - | |
| Purchase & Sale of long-term investments | | | | |
| - Purchased | (4,797,582,835) | | (3,053,774,872) | |
| - Proceeds from sale | 5,023,905,141 | | 3,153,651,860 | |
| Dividend received | | | | |
| - Others | 42,522,957 | 268,845,264 | 97,864,243 | 197,741,231 |
| Cash flow from extraordinary items | | - | | - |
| Net cash flow from / (used in) investing activities (B) | | 268,845,264 | | 197,741,231 |
| C Cash flow from financing activities | | | | |
| Finance cost | | (28,137,661) | | (42,018,613) |
| Net cash flow from / (used in) financing activities (C) | | (28,137,661) | | (42,018,613) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | | 14,755,956 | | 705,781 |
| Cash and cash equivalents at the beginning of the year | | 863,259 | | 157,478 |
| Cash and Cash Equivalents received on Amalgamation (refer note 2.17) | | 243,360 | | - |
| Cash and cash equivalents at the end of the year | | 15,862,575 | | 863,259 |
| Cash and cash equivalents at the end of the year * | | | | |
| * Comprises: | | | | |
| (a) Cash on hand | | 236,940 | | 12,566 |
| (b) Balances with banks | | | | |
| (i) In current accounts | | 15,625,635 | | 850,693 |
| | | 15,862,575 | | 863,259 |

The accompanying notes are an integral part of the Financial Statements

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

1 Corporate information

Saraswati Commercial (India) Limited (The Company) is incorporated under the provision of Companies Act, 1956. The Company is Non Banking Financial Company (Non Deposit taking) registered with Reserve Bank of India. The Company is engaged in the business of investment and trading in shares and securities & Lending Activities.

2 Significant accounting policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards specified under section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014 and other relevant provision of Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.1 Basis of accounting and 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 Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. Assets and liabilities are classified as current if it is expected to realise or settle within 12 months after Balance Sheet date.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

2.3 Inventories

Inventories are valued at lower of cost or Net Realisable Value.

2.4 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

2.7 Revenue recognition

Terms of income and expenditure are recognized on accrual basis except in case of non-performing assets, where it is recognized upon realization, as per RBI guidelines.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**2.8 Other income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation. Cost comprises of the purchase price and any other attributable expenditure of bringing the asset to its working condition for its intended use.

2.10 Investments

Investments are classified into Current and Non-current Investments. Current Investments are stated at lower of cost and fair value. Non-current Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Non-current Investments. When disposing of a part of the holding of an individual investment, the carrying amount to be allocated to that part is determined on the basis of the First in First Out Method amount of the total holding of the investment.

2.11 Employee benefits

As number of employees working in company are less than ten, provision for gratuity as per Accounting Standard 15 issued by Institute of Chartered Accountant of India does not apply to the company.

The company has made provision for Leave Salary on the actual balance leaves of the employees for the FY.2016-2017, calculated at the monthly basic salary & HRA of the employees for the FY 2017-18.

2.12 Segment reporting

As the company's business activity falls within single segment viz. NBFC Activities the disclosure requirements of Accounting Standard 17 "Segment Reporting" issued by Institute of Chartered Accountants of India is not applicable.

2.13 Earnings per share

Basic and Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.14 Taxes on income

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act 1961.

Deferred tax for timing differences between tax profits & book profits is accounted by using the tax rates & laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets in respect of unabsorbed Losses are recognised to the extent there is reasonable certainty that these assets can be realised in future. "

2.15 Future / Option Contracts

Equity/Index futures are marked-to-market on a daily basis. Mark to Market Gains / (losses) are recognized as per the Guidance Note on "accounting for Derivative Contracts (2015)" issued by The Institute of Chartered Accountants of India.

2.16 Provisions and contingencies

These are disclosed by way of notes on the Balance sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialise into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in the Balance sheet.

2.17 Amalgamation of Aroni Commercials Limited

Pursuant to Scheme of Amalgamation ("the Scheme") of Aroni Commercials Limited (ACL) (Transferor Company) with Saraswati Commercial (India) Limited (Transferee Company) sanctioned by the Hon'ble National Company Law Tribunal (NCLT) on 16th March 2017, all the assets and liabilities of the transferor company are transferred, in the books of transferee company, at the value appearing in the books of account of ACL as on appointed date i.e 1st April, 2015.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The amalgamation has been accounted under “Pooling of Interest” method as prescribed by AS -14 “Accounting for Amalgamation” Accordingly following accounting treatment has been given as under: -

- (i) The assets, liabilities, reserves and balance of profit & loss accounts of the Transferor company as on appointed date have been incorporated at their book value in the financial statement of the Transferee company.
- (ii) All the paid up share capital of the transferor company as on 31st March 2017, stands cancelled & the shareholders of Transferor company will be issued shares of Transferee company as per exchange ratio specified in the scheme approved by Hon’ble NCLT. The details of the same are as under:

| Transferor Company | Aroni Commercials Limited |
|--|--|
| Nature of Business | Sub Broker & Investment in Shares/Bonds |
| Details of Paid up Share Capital prior to Amalgamation | |
| No of shares | 4,125,000 |
| Face value per Share | 10 |
| Total Paid up Capital | 41,250,000 |
| Exchange Ratio | 1:9 |
| Details of Shares of Transferee Company that are issued as per Amalgamation Order | |
| No of Shares Issued | 390,593 |
| Face value per Share | 10 |
| Total Share Capital issued | 3,905,930 |
| | |
| Shares Pending to be allotted (Nos.) | 390,593 |

- (iii) Total 390,593 shares of Transferee company (FV Rs. 10) are issued to the shareholders of Transferor companies on 29th May, 2017 & the said capital of Rs. 3,905,930 has been shown as “Shares pending allotment” in the Balance sheet.
- (iv) Difference between Share Capital of Transferor Company and Equity Share Capital issued by the Transferee Company to the shareholders of Transferor Company has been disclosed as “Capital Reserve” of the Transferee company after cancellation of cross holding investment.

Note 3 - Shareholder’s Funds - Share Capital

| Particulars | As at 31 st March, 2017 | | As at 31 st March 2016 | |
|--|------------------------------------|------------------|-----------------------------------|------------------|
| | Number | Rs | Number | Rs |
| Authorised | | | | |
| Equity Shares of Rs. 10 each | 8,250,000 | 82,500,000 | 750,000 | 7,500,000 |
| Issued,Subscribed & Paid up | | | | |
| Equity Shares of Rs. 10 each | 640,000 | 6,400,000 | 640,000 | 6,400,000 |
| Of the above 4,00,000 Shares were allotted pursuant to the Scheme of Amalgamation, without payment being received in cash. | | | | |
| Total | 640,000 | 6,400,000 | 640,000 | 6,400,000 |

Rights of Equity Shareholders

The Company has only one class of Equity Shares having face value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

| Particulars | Equity Shares | | Equity Shares | |
|---|---------------|-----------|---------------|-----------|
| | Number | Rs | Number | Rs |
| Shares outstanding at the beginning of the year | 640,000 | 6,400,000 | 640,000 | 6,400,000 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 640,000 | 6,400,000 | 640,000 | 6,400,000 |

More than 5% Shareholding

| Name of Shareholder | As at 31 st March, 2017 | | As at 31 st March 2016 | |
|--|------------------------------------|--------------|-----------------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Winro Commercial (India) Ltd | 104970 | 16.40% | 104970 | 16.40% |
| Four Dimensions Securities (India) Ltd | 33900 | 5.30% | 33900 | 5.30% |
| Ashwin Pannalal Kothari | 64500 | 10.08% | 64500 | 10.08% |
| Rohit Kothari | 44630 | 6.97% | 44630 | 6.97% |
| Ashwin Kumar Kothari (HUF) | 63000 | 9.84% | 63000 | 9.84% |
| Ashwin Kumar Kothari (smaller) (HUF) | 63000 | 9.84% | 63000 | 9.84% |
| Pannalal C Kothari (HUF) | 53050 | 8.29% | 53050 | 8.29% |

Note 4 Reserves and surplus

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) General reserve | | |
| Opening balance | 35,922,535 | 35,922,535 |
| Add: Transferred from surplus in Statement of Profit and Loss | - | - |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 177,575,670 | - |
| Closing balance | 213,498,205 | 35,922,535 |
| (b) Surplus in Statement of Profit and Loss | | |
| Opening balance | 247,763,628 | 137,102,167 |
| Add: Profit / (Loss) for the year | 52,240,475 | 138,326,826 |
| Less: Transfer to Reserve u/s 45IC | (10,448,095) | (27,665,365) |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 540,441,492 | - |
| Closing balance | 829,997,500 | 247,763,628 |
| (c) Statutory Reserves | | |
| Reserves u/s. 45 IC of RBI Act | | |
| Opening balance | 61,884,133 | 34,218,768 |
| Add: Transfer from Profit & Loss Account | 10,448,095 | 27,665,365 |
| Closing balance | 72,332,228 | 61,884,133 |
| (d) Securities Premium Account | | |
| Opening balance | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 4,540,000 | - |
| Closing balance | 4,540,000 | - |
| (e) Capital Reserve on Amalgamation (AS - 14) | | |
| Opening balance | - | - |
| Add: Reserve Created in Amalgamation (refer note 2.17) | 30,341,516 | - |
| Closing balance | 30,341,516 | - |
| Total | 1,150,709,449 | 345,570,296 |

Note 5 Long-term provisions

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---------------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Provision for employee benefits | | |
| Provision for Leave salary | 2,001,848 | 326,921 |
| Total | 2,001,848 | 326,921 |

Note 6 Short term borrowings

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-----------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Loan Payable on demand | | |
| Other parties | | |
| Secured (refer note 26.5) | 80,000,000 | - |
| Unsecured | - | 422,282,033 |
| Total | 80,000,000 | 422,282,033 |
| Due to Related party | - | - |

Notes:

Details of security for the secured short-term borrowings

| Particulars | Nature of security | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|-----------------------------|------------------------------------|------------------------------------|
| | | Rs | Rs |
| Loan Payable on demand | | | |
| Barclays Loan & Investment Private Limited | Secured by Pledge of Shares | 80,000,000 | - |

Note 7 Trade payables

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-----------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Trade payables | | |
| Other than Acceptances | 77,276,540 | - |
| Total | 77,276,540 | - |
| Due to Related party | 77,276,540 | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 8 Other current liabilities

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Interest accrued and not due on borrowings | 2,920,133 | 40,255,633 |
| (b) Other payables | | |
| (i) TDS Payable | 1,241,712 | 4,163,260 |
| (ii) Outstanding Liabilities | 2,529,751 | 286,930 |
| (iii) Mark to Market Open Position | - | 1,841,281 |
| Total | 6,691,596 | 46,547,104 |
| Due to Related party | 3,355,260 | 311,034 |

Note 9 Short-term provisions

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-------------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Provision - Others | | |
| Provision for Standard Assets | 893,225 | 113,541 |
| Total | 893,225 | 113,541 |

The provision for standard assets is calculated as per the prudential norms applicable to Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies.

Note 10 - Non Current Assets - Fixed Assets

| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | Net Block | | | |
|------------------------|--|---|------------------------|--|--|---|----------------------------------|--|--|---|
| | Balance as at 1 st April 2016 | Addition on account of Amalgamation (refer note 2.17) | Additions/ (Disposals) | Balance as at 31 st March, 2017 | Balance as at 1 st April 2016 | Addition on account of Amalgamation (refer note 2.17) | Depreciation charge for the year | Balance as at 31 st March, 2017 | Balance as at 31 st March, 2017 | Balance as at 31 st March 2016 |
| | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| Tangible Assets | | | | | | | | | | |
| Land | - | 58,870 | - | 58,870 | - | - | - | - | 58,870 | - |
| Motor Cycle | 61,117 | 134,409 | - | 195,526 | 29,622 | 111,778 | 11,512 | 152,912 | 42,614 | 31,495 |
| Motor Vehical | - | 9,406,644 | - | 9,406,644 | - | 8,409,278 | 306,943 | 8,716,221 | 690,423 | - |
| Telephone | - | 29,100 | - | 29,100 | - | 29,088 | 11 | 29,099 | 1 | - |
| Total | 61,117 | 9,629,023 | - | 9,690,140 | 29,622 | 8,550,144 | 318,466 | 8,898,232 | 791,908 | 31,495 |
| Previous year | 61,117 | - | - | 61,117 | 18,619 | - | 11,003 | 29,622 | 31,495 | |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 11 Non-current investments

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|-------------|-------------|-------------|------------------------------------|-----------|-------------|-------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| A Trade Investments (At cost): | | | | | | | | | |
| (a) Investment in equity instruments | | | | | | | | | |
| (i) of Subsidiary Companies | | | | | | | | | |
| Arkaya Commercial Private Limited | 10/- | 16,200 | - | 162,000 | 162,000 | 5,000 | - | 50,000 | 50,000 |
| Sareshwar Trading & Finance Private Limited | 10/- | 93,700 | - | 1,837,053 | 1,837,053 | 73,700 | - | 1,637,053 | 1,637,053 |
| | | | | - 1,999,053 | 1,999,053 | | | - 1,687,053 | 1,687,053 |
| (ii) of Associates & Group Companies | | | | | | | | | |
| Aroni Commercials Limited | 10/- | - | - | - | - | 609,900 | 7,002,554 | - | 7,002,554 |
| Arcies Laboratories Limited | 10/- | 2,500 | - | 25,000 | 25,000 | 2,500 | - | 25,000 | 25,000 |
| Four Dimensions Commodities Private Limited | 10/- | 13,000 | - | 130,000 | 130,000 | 13,000 | - | 130,000 | 130,000 |
| Four Dimensions Securities (I) Limited | 10/- | 1,889,193 | - | 123,064,220 | 123,064,220 | 1,252,260 | - | 98,523,053 | 98,523,053 |
| Geecee Business Private Limited | 10/- | 3,108 | - | 6,848,650 | 6,848,650 | - | - | - | - |
| Geecee Investments Limited | 10/- | 210,500 | - | 812,436 | 812,436 | 175,500 | - | 752,636 | 752,636 |
| Geecee Ventures Limited | 10/- | 2,537,967 | 220,581,377 | - | 220,581,377 | 291,167 | - | - | - |
| Winro Commercial (India) Limited | 10/- | 100,150 | 684,209 | - | 684,209 | 100,150 | 684,209 | - | 684,209 |
| | | | 221,265,586 | 130,880,306 | 352,145,892 | | 7,686,763 | 99,430,689 | 107,117,452 |
| (b) Investment in Preference Shares | | | | | | | | | |
| (i) of subsidiary | | | | | | | | | |
| [Non Cumulative redeemable Partly paid up] | | | | | | | | | |
| 10% Arkaya Commercial Private Limited | 100/- | 250 | - | 6,250 | 6,250 | - | - | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|------------|------------|------------|------------------------------------|------------|------------|------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | | Rs | Rs | Rs | | Rs | Rs | Rs |
| (Rs. 25/- partly paid up) | | | | | | | | | |
| Total - Trade (A) | | | - | 6,250 | 6,250 | | - | - | - |
| B Other investments | | | | | | | | | |
| (a) Investment in equity instruments | | | | | | | | | |
| (i) of Other Entities | | | | | | | | | |
| Adani Transmission Limited | 10/- | 840,000 | 24,567,067 | - | 24,567,067 | - | - | - | - |
| Antique Finance Private Limited | 10/- | 1,931,000 | - | 56,771,400 | 56,771,400 | 1,931,000 | - | 56,771,400 | 56,771,400 |
| Ashapura Minechem Limited | 2/- | 135,000 | 8,685,165 | - | 8,685,165 | - | - | - | - |
| Ashoka Buildcon Limited | 5/- | 33,000 | 5,221,853 | - | 5,221,853 | - | - | - | - |
| Automotive Axle Limited | 10/- | - | - | - | - | 15,000 | 5,356,111 | - | 5,356,111 |
| Balaji Telefilms Limited | 2/- | 70,000 | 6,608,840 | - | 6,608,840 | - | - | - | - |
| Balkrishna Industries Limited | 2/- | 2,359 | 1,851,651 | - | 1,851,651 | - | - | - | - |
| Bharat Gears Limited | 10/- | 300 | - | - | - | 300 | - | - | - |
| Cairn India Limited | 10/- | 294,000 | 88,577,071 | - | 88,577,071 | - | - | - | - |
| CCL Products (India) Limited | 2/- | 1 | 54 | - | 54 | - | - | - | - |
| City Union Bank Limited | 1/- | 300,062 | 13,321,784 | - | 13,321,784 | 62 | 3,085 | - | 3,085 |
| Claris Lifesciences Limited | 10/- | 21,200 | 6,688,353 | - | 6,688,353 | - | - | - | - |
| Cox And Kings Limited | 5/- | 100,000 | 17,696,387 | - | 17,696,387 | - | - | - | - |
| Dalmia Bharat Limited | 2/- | 23,250 | 18,833,351 | - | 18,833,351 | - | - | - | - |
| DCB Bank Limited | 10/- | 1 | 26 | - | 26 | - | - | - | - |
| DCW Limited | 10/- | 230,000 | 7,199,418 | - | 7,199,418 | - | - | - | - |
| Diamond Power Infrastructure Ltd | 2/- | 233,000 | 9,187,229 | - | 9,187,229 | - | - | - | - |
| Divi's Laboratories Limited | 2/- | - | - | - | - | 2,000 | - | - | - |
| ECE Industries Limited | 10/- | - | - | - | - | 114,000 | 16,918,199 | - | 16,918,199 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|------------|----------|------------|------------------------------------|-----------|----------|-----------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| Ess Dee Aluminium Limited | 10/- | 1 | 489 | - | 489 | - | - | - | - |
| Future Enterprises Limited | 2/- | 10,000 | 172,600 | - | 172,600 | - | - | - | - |
| Gujarat Narmada Velly Fert. & Chem. Limited | 10/- | 37 | 1,591 | - | 1,591 | 37 | 1,591 | - | 1,591 |
| HDFC Bank Limited | 2/- | 1,000 | 1,254,788 | - | 1,254,788 | - | - | - | - |
| Housing Development Finance Corporation Limited | 2/- | 9,000 | 9,454,575 | - | 9,454,575 | 9,000 | 9,454,575 | - | 9,454,575 |
| ICICI Bank Limited | 2/- | 6 | 1,834 | - | 1,834 | - | - | - | - |
| Indian Terrain Fashions Limited | 2/- | 9,500 | 1,391,303 | - | 1,391,303 | - | - | - | - |
| Insecticides (India) Limited | 10/- | 45,200 | 18,529,955 | - | 18,529,955 | - | - | - | - |
| JBF Industries Limited | 10/- | 313,000 | 69,749,387 | - | 69,749,387 | - | - | - | - |
| JMC Projects (India) Limited | 10/- | 1 | 223 | - | 223 | - | - | - | - |
| Larsen And Toubro Limited | 2/- | 1 | 1,290 | - | 1,290 | - | - | - | - |
| L.G. Balakrishnan & Brothers Limited | 10/- | 400 | - | - | - | 400 | - | - | - |
| LGB Forge Limited | 10/- | 2,000 | - | - | - | 2,000 | - | - | - |
| LIC Housing Finance Limited | 2/- | 13,000 | 6,423,291 | - | 6,423,291 | - | - | - | - |
| Mindtree Limited | 10/- | 10,000 | 4,500,118 | - | 4,500,118 | - | - | - | - |
| MRF Limited | 10/- | 465 | 16,296,595 | - | 16,296,595 | - | - | - | - |
| Music Broadcast Limited | 10/- | 3,854 | 1,283,382 | - | 1,283,382 | - | - | - | - |
| Muthoot Capital Services Limited | 10/- | 15,756 | 4,257,687 | - | 4,257,687 | - | - | - | - |
| Muthoot Finance Limited | 10/- | 100,000 | 29,204,435 | - | 29,204,435 | - | - | - | - |
| Nava Bharat Ventures Limited | 2/- | 100,000 | 12,082,847 | - | 12,082,847 | - | - | - | - |
| Ocl India Limited | 2/- | 25,000 | 19,584,019 | - | 19,584,019 | - | - | - | - |
| Raymond Limited | 10/- | 10,000 | 6,528,566 | - | 6,528,566 | - | - | - | - |
| Reliance Industries Limited | 10/- | 1 | 981 | - | 981 | - | - | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|--------------------|--------------------|--------------------|------------------------------------|-------------------|--------------------|--------------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | | Rs | Rs | Rs | | Rs | Rs | Rs |
| Repco Home Finance Limited | 10/- | 20,000 | 10,323,058 | - | 10,323,058 | - | - | - | - |
| Royal Orchid Hotels Limited | 10/- | 63,000 | 5,307,308 | - | 5,307,308 | - | - | - | - |
| Sanofi India Limited | 10/- | 13,000 | 43,279,154 | - | 43,279,154 | 13,000 | 43,279,154 | - | 43,279,154 |
| Saurashtra Cement Limited | 10/- | 73,356 | 4,085,117 | - | 4,085,117 | - | - | - | - |
| Shree Ganesh Forgings Limited | 10/- | 1 | 30 | - | 30 | - | - | - | - |
| Shriram City Union Finance Limited | 10/- | - | - | - | - | 9,000 | 11,518,966 | - | 11,518,966 |
| Sicagen India Limited | 10/- | 1 | - | - | - | - | - | - | - |
| Sical Logistics Limited | 10/- | 1 | 151 | - | 151 | - | - | - | - |
| Siemens Limited | 2/- | 10 | 1,130 | - | 1,130 | - | - | - | - |
| Sun Pharmaceutical Industries Limited | 1/- | 14,956 | 11,765,149 | - | 11,765,149 | - | - | - | - |
| Tata Motors Limited | 2/- | 1 | 446 | - | 446 | - | - | - | - |
| Tech Mahindra Limited | 5/- | - | - | - | - | 15,000 | Bonus | - | Bonus |
| Teracom Limited | 10/- | 81,500 | - | 887,535 | 887,535 | - | - | - | - |
| Thanga Mayil Jewellery Limited | 10/- | 79,000 | 10,583,429 | - | 10,583,429 | - | - | - | - |
| Trident Limited | 10/- | 500,000 | 30,117,740 | - | 30,117,740 | - | - | - | - |
| United Spirits Limited | 10/- | 1 | 69 | - | 69 | - | - | - | - |
| UPL Limited | 2/- | 2 | 108 | - | 108 | - | - | - | - |
| Vikas Ecotech Limited | 1/- | 1,000 | 13,460 | - | 13,460 | - | - | - | - |
| VRL Logistics Limited | 10/- | 10 | 2,681 | - | 2,681 | - | - | - | - |
| Welspun Corp Limited | 5/- | 129,000 | 10,966,045 | - | 10,966,045 | - | - | - | - |
| Total - Other investments (B) | | | 535,603,279 | 57,658,935 | 593,262,214 | | 86,531,681 | 56,771,400 | 143,303,081 |
| Total (A+B) | | | 756,868,865 | 190,544,544 | 947,413,409 | | 94,218,444 | 157,889,142 | 252,107,586 |
| Aggregate amount of quoted investments | | | 756,868,865 | - | 756,868,865 | | 94,218,444 | - | 94,218,444 |
| Aggregate market value of listed and quoted investments | | | 1,087,684,391 | - | 1,087,684,391 | | 223,914,876 | - | 223,914,876 |
| Aggregate amount of unquoted investments | | | | - 190,544,544 | 190,544,544 | | | - 157,889,142 | 157,889,142 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 12 Deferred Tax Assets

| Particulars | Deferred Tax Asset/ (Liabilities) As at 31 st March, 2016 | Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | Charge/(Credit) during the period | Deferred Tax Asset/ (Liabilities) As at 31 st March, 2017 |
|-------------------------------|---|---|---|--|
| | Rs | Rs | Rs | Rs |
| Depreciation | 3,091 | 695,927 | (56,315) | 642,703 |
| Business Loss | 6,636,965 | 967,391 | 14,105,667 | 21,710,023 |
| Speculation Loss | 53,831 | 48,242 | (48,247) | 53,826 |
| Provision for standard assets | 37,540 | - | 257,787 | 295,327 |
| Provision for Leave Salary | 108,090 | - | 553,781 | 661,871 |
| Short term loss | - | 8,475,746 | (8,475,746) | - |
| Longt term loss | - | - | 818,071 | 818,071 |
| Amalgamation Expenses | 160,893 | - | (32,179) | 128,714 |
| Mark to Market Loss | 262,703 | - | 478,439 | 741,142 |
| Mark to Market Profit | - | - | (276,061) | (276,061) |
| Stock valuation | 2,345,956 | - | (2,227,364) | 118,592 |
| Total | 9,609,069 | 10,187,306 | 5,097,833 | 24,894,208 |

Note 13 Long-term loans and advances

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Security Deposits | | |
| Unsecured, Considered good | 10,106,219 | - |
| (b) Prepaid Expenses - Unsecured, considered good | 8,407 | 11,214 |
| Total | 10,114,626 | 11,214 |

Note 14 Current investments

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|--|--------------------|------------------------------------|--------|------------|------------|------------------------------------|-------------|-------------|-------------|
| | Rs | No of Units | Quoted | Unquoted | Total | No of Units | Quoted | Unquoted | Total |
| | | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| A Other investments | | | | | | | | | |
| Investment in Venture Capital Funds | | | | | | | | | |
| Urban Infrastructure Opportunities Fund | 62,430 (79,930) | 540 | - | 21,862,980 | 21,862,980 | - | - | - | - |
| Kshitij Venture Capital Fund | 337.50 (337.50) | 10,000 | - | 2,694,700 | 2,694,700 | - | - | - | - |
| Investment in Commercial Paper | | | | | | | | | |
| Commercial Paper HDFC 17/05/2016 | - (5,00,000/-) | - | - | - | - | 200 | - | 97,922,700 | 97,922,700 |
| Commercial Paper HDFC 11/04/2016 | - (5,00,000/-) | - | - | - | - | 318 | - | 156,207,483 | 156,207,483 |
| Total | | | - | 24,557,680 | 24,557,680 | - | 254,130,183 | 254,130,183 | |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | As at 31 st March, 2016 | | | | |
|---|------------|------------------------------------|--------|------------|------------------------------------|-------------|--------|-------------|-------------|
| | | No of Units | Quoted | Unquoted | Total | No of Units | Quoted | Unquoted | Total |
| | Rs | | Rs | Rs | Rs | | Rs | Rs | Rs |
| Aggregate amount of quoted investments | | | - | - | - | | - | - | - |
| Aggregate market value of listed and quoted investments | | | - | - | - | | - | - | - |
| Aggregate amount of unquoted investments | | | - | 24,557,680 | 24,557,680 | | - | 254,130,183 | 254,130,183 |

Note 15 Inventories

(at cost or net realisable value whichever is lower)

| Particulars | As at 31 st March, 2017 | | As at 31 st March, 2016 | |
|---|------------------------------------|-------------------|------------------------------------|--------------------|
| | Nos | Rs | Nos | Rs |
| (A) Quoted Shares | | | | |
| A2Z Infra Engineering Limited | - | - | 1,480,000 | 29,452,000 |
| Adani Transmission Limited | - | - | 1,000,000 | 28,283,993 |
| AIA Engineering Limited | - | - | 1 | 675 |
| Aditya Birla Chemicals (India) Limited | - | - | - | - |
| Aditya Birla Fashion & Retail Limited | 40,000 | 6,154,000 | - | - |
| Consolidated Fibers & Chem Limited | 50 | 80 | 50 | 80 |
| Coal India Limited | - | - | 35,000 | 10,218,250 |
| Coromandel International Limited | - | - | 115,937 | 22,062,811 |
| Diamond Power Infrastructure Limited | 1,000 | 34,600 | 1,000 | 24,900 |
| Essel Propack Limited | - | - | - | - |
| Federal- Mougall Goetze (India) Limited | - | - | 5,000 | 1,620,500 |
| Future Lifestyle Fashions Limited | - | - | - | - |
| Hero Motocorp Limited | - | - | - | - |
| IDFC Limited | - | - | 100,000 | 4,820,000 |
| Indian Terrain Fashions Limited | - | - | 56,313 | 7,451,285 |
| JMC Project Limited | 1 | 266 | 1 | 219 |
| Kridhan Infra Limited | 1 | 51 | 1 | 87 |
| Lancor Holdings Limited | - | - | 19,999 | 532,973 |
| Lupin Limited | - | - | - | - |
| Meghmani Organics Limited | - | - | 91,026 | 1,820,424 |
| Orient Refractories Limited | - | - | - | - |
| PNC Infratech Limited | - | - | 1,000 | 465,868 |
| Rattan Indian Infrastructure Limited | 1,565,000 | 5,176,385 | 565,022 | 1,364,582 |
| Royal Orchid Hotels Limited | - | - | 5,000 | 314,781 |
| Sanofi India Limited | - | - | - | - |
| Shalimar Paints Limited | - | - | - | - |
| Sical Logistics Limited | - | - | 70,000 | 9,201,500 |
| Total - A | 1,606,052 | 11,365,381 | 3,545,350 | 117,634,929 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | As at 31 st March, 2017 | | As at 31 st March, 2016 | |
|---|------------------------------------|-------------------|------------------------------------|--------------------|
| | Nos | Rs | Nos | Rs |
| B Debenture | | | | |
| 8.80% HBD Financial Service Ltd.NCD (Series A/1/24) 17/05/2016 | - | - | 50 | 49,932,650 |
| Total - B | - | - | 50 | 49,932,650 |
| C Unquoted Shares/ Mutual Funds | | | | |
| Auroplast India Limited | 5,000 | 5,000 | 2,500 | 25,000 |
| Allied Resins Chem Limited | 2,500 | 25,000 | 5,000 | 5,000 |
| East Aggle Plastic Limited | 660 | 1,320 | 660 | 1,320 |
| J M Balanced Fund | - | - | 1,627,844 | 18,297,618 |
| Meeraj Multiweb Inds.Limited | 24,000 | 240,000 | 24,000 | 240,000 |
| Total - C | 32,160 | 271,320 | 1,660,004 | 18,568,938 |
| Total- A+B+C | 1,638,212 | 11,636,701 | 5,205,404 | 186,136,516 |
| Aggregate market value of Quoted financial securities | | 12,563,816 | | 193,231,927 |

Note 16 Trade receivables

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Unsecured, considered good | - | - |
| Other trade receivables | | |
| Unsecured, considered good | 26,742,245 | 61,984,076 |
| Total | 26,742,245 | 61,984,076 |
| Due from Reputed parties | - | 416,625 |

Note 17 Cash and Bank balance

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Cash on hand | | |
| (b) Balances with banks | 236,940 | 12,566 |
| (i) In current accounts | 15,625,635 | 850,693 |
| | 15,862,575 | 863,259 |
| Other Bank Balance | | |
| (i) In Fixed Deposit | 375,614 | - |
| Total | 16,238,189 | 863,259 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 18 Short-term loans and advances

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Loans and advances to employees | | |
| Unsecured, considered good | 282,000 | - |
| (b) Inter-corporate deposits | | |
| Unsecured, considered good | 239,000,000 | 40,000,000 |
| (c) Others | | |
| Unsecured, considered good | 4,750,000 | 4,750,000 |
| (d) Prepaid expenses - Unsecured, considered good | 80,970 | 32,507 |
| (e) Balances with government authorities- Unsecured, considered good | | |
| Advance Tax (Net of Provision of) (Current Year Rs. 33,678,396) (Previous Year Rs. 24,900,000) | 9,317,914 | 3,592,821 |
| Total | 253,430,884 | 48,375,328 |
| Due from Repated parties | 169,000,000 | 1,570 |

Note 19 Other current assets

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Accruals | | |
| (i) Interest accrued on loans | 11,456,738 | 666,312 |
| (ii) Interest accrued on investments/bonds | - | 7,270,815 |
| (b) Others | | |
| (i) Advance against expenses | 2,000 | 1,000 |
| (ii) Other receivable | 600,000 | 53,042 |
| Total | 12,058,738 | 7,991,169 |
| Due from Repated parties | 10,427,927 | 150,501 |

Note 20 Revenue from operations

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| Profit on Trading in Securities & Mutual funds (net) (refer note (a) below) | 32,322,421 | (52,694,249) |
| Other operating revenues (refer note (b) below) | 32,066,934 | 145,128,531 |
| Total | 64,389,355 | 92,434,282 |

| Note | Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|------|---|--|--|
| | | Rs | Rs |
| (a) | Profit on Trading in Securities & Mutual funds comprises | | |
| | Traded goods | | |
| | Sale of shares and mutual funds | 275,811,545 | 683,364,692 |
| | Less: Purchases of shares & mutual funds | 94,753,081 | 818,922,340 |
| | Less: Changes in inventories (refer note (i) below) | 146,215,822 | (84,562,981) |
| | Less: Security Transaction Charges | 2,520,221 | 1,699,582 |
| | Total | 32,322,421 | (52,694,249) |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note | Particulars | For the year ended | For the year ended |
|------------|---|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| (i) | Inventories at the end of the year: | | |
| | Stock-in-trade | 11,636,701 | 186,136,516 |
| | | 11,636,701 | 186,136,516 |
| | Inventories at the beginning of the year: | | |
| | Stock-in-trade | 186,136,516 | 137,426,589 |
| | Less : Transfer to Investments | (28,283,993) | (35,853,054) |
| | | 157,852,523 | 101,573,535 |
| | Net (increase) / decrease | 146,215,822 | (84,562,981) |
| (b) | Other operating revenues comprise | | |
| (i) | Interest income | | |
| | Interest on loan | 22,022,590 | 6,589,410 |
| | Interest income from investments/bonds | 4,547,636 | 3,855,331 |
| (ii) | Profit on sale of investment | 70,719,399 | 131,423,696 |
| (iii) | Profit / (Loss) on futures & options segment | (65,229,947) | 2,981,206 |
| (iv) | Income from speculation in equity shares - cash segment | 2,456 | 278,888 |
| (v) | Brokerage Received | 4,800 | - |
| | Total - Other operating revenues | 32,066,934 | 145,128,531 |
| | Income from Related Party | 15,039,301 | 167,219 |

Note 21 Other income

| Particulars | For the year ended | For the year ended |
|--|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs |
| Interest income | | |
| Interest income (refer note (i) below) | 597,656 | 533,915 |
| Dividend income | | |
| from others | 42,522,957 | 97,864,243 |
| Total | 43,120,613 | 98,398,158 |
| Income from Related Party | - | 873,501 |

| Note | Particulars | For the year ended | For the year ended |
|------------|-----------------------------------|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| (i) | Interest income comprises | | |
| | (a) Interest on fixed deposits | 425,560 | 523,323 |
| | (b) Interest on income tax refund | 172,096 | 10,592 |
| | Total | 597,656 | 533,915 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 22 Employee benefits expense

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|-----------------------------------|--|--|
| | Rs | Rs |
| Salaries and wages | 14,789,538 | 7,340,877 |
| Staff welfare expenses | 105,807 | 77,938 |
| Total | 14,895,345 | 7,418,815 |
| Payment to Related Parties | 7,595,341 | 1,723,804 |

Note 23 Finance costs

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|-----------------------------------|--|--|
| | Rs | Rs |
| Interest on borrowings | 28,137,661 | 42,018,613 |
| Interest on Income Tax | 263,029 | - |
| Total | 28,400,690 | 42,018,613 |
| Payment to Related Parties | 3,129,102 | 267,816 |

Note 24 Other expenses

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|--|--|--|
| | Rs | Rs |
| Rates and taxes, excluding taxes on income | 4,500 | 2,000 |
| Legal and professional fees | 1,631,495 | 1,728,894 |
| Payments to auditors (refer note (i) below) | 129,904 | 75,044 |
| Corporate Social Responsibility Expenses (refer note 28.3) | 2,700,000 | 600,000 |
| Provision for Standard Asset | 779,684 | 86,576 |
| Sundry balance written off | 5,000,001 | - |
| Miscellaneous expenses | 2,255,604 | 528,846 |
| Total | 12,501,188 | 3,021,360 |
| Payment to Related Parties | 83,141 | 12,000 |

Note (i)

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|------------------------------------|--|--|
| | Rs | Rs |
| Payments to the auditors comprises | | |
| As auditors - statutory audit | 55,000 | 40,000 |
| Tax Audit fees | 15,000 | 15,656 |
| for other services | 43,000 | 10,350 |
| Service Tax | 16,904 | 9,038 |
| Total | 129,904 | 75,044 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25 Additional information to the financial statements

25.1 Contingent liabilities and commitments (to the extent not provided for)

Contingent Liabilities :

- (i) Contingent liabilities not provided for uncalled liability on
 - a) Partly paid up preference shares of Arkaya Commercial Private Limited amounting to Rs. 18,750/-
- (ii) Demand of Rs. 80,22,602/- for AY 1996-97 is pending under Madhya Pradesh Sales Tax Act against which appeals had been filed with Deputy Commissioner of Commercial Tax. The Deputy Commissioner of Commercial tax has redirected case to Assessing Officer for reassessment. The reassessment proceedings has not yet initiated.
- (iii) During F.Y. 2004-05, Company has kept Rs. 100.70 Lacs in Escrow account with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminum Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited under Section 391 to Section 394 of the companies Act, 1956. On 10th October, 2012, The High Court of Indore (Single Judge) has given decision in favour of the Company. Revenue had filed an writ appeal against the said order with The Hon'ble High Court of M.P., Indore. (Double Judge), wherein order dated 26th September, 2014 states that the appeal be listed for final hearing in due course.
- (iv) NEPC India Limited had instituted a suit against the company in the court of II FAST TRACK JUDGE Madras for deferment of payment to the NEPC India Limited the sum of Rs. 20,47,156/- together with interest at 24% p.a on Rs. 10,53,450/-. Vide order dated 13th February, 2012, court has given decision in favour of NEPC India limited. In the result the suit is decreed in favour of NEPC India Limited for Rs. 10,53,450/- with interest at the rate of 12% p.a. from August 98 till realisation with costs. Company has filed an appeal with the Hon'ble High Court of Madras against the said order.
- (v) As per Income Tax Department following tax demand is outstanding against the company & it has not been provided in the accounts.

| Assessment Year | Demand u/s | Short Provision (Rs.) | Amount paid under Protest / Refund Adjusted (Rs.) | Status of Appeal |
|-----------------|------------|-----------------------|---|--|
| 2005-06 | u/s 250 | 146,381 | 146,381 | Letter for rectification against order giving effect of CIT (Appeal's) order has been filed on 18 th April, 2012. |
| 2006-07 | u/s 250 | 447,740 | 447,740 | Order Giving Effect to ITAT order pending. |
| 2009-10 | u/s 143(3) | 156,807 | 156,807 | Letter for rectification against order u/s 154 wrt 143(3) dated 29 th February, 2012 has been filed. |
| 2010-11 | u/s 143(1) | 385,884 | 385,884 | Rectification of oder u/s 154 is pending. |
| 2010-11 | u/s 143(3) | 72,107 | - | CIT (Appeal's) order giving effect is pending. |
| 2012-13 | u/s 143(3) | 290,483 | 218,052 | Letter for rectification has been filed against order 143(3) dated 10 th February, 2015 order pending. |
| 2014-15 | u/s 143(3) | 86,300 | - | Letter for rectification has been filed against order 143(3) dated 17 th November, 2016 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25.2 Details of Open interest in Equity stock Futures Contracts as on 31st March, 2017

| Name of Equity Stock Future | | | No. of Contracts | Units - Long | Units - Short |
|-----------------------------|---------|-------------|------------------|--------------|---------------|
| Scrip | FUT/OPT | EXPIRY | | | |
| CENTURYTEX | FUT | 27-APR-2017 | 550 | 42,900 | - |
| DHFL | FUT | 27-APR-2017 | 1,500 | - | 102,000 |
| HINDPETRO | FUT | 27-APR-2017 | 1,050 | 27,300 | - |
| NIFTY | FUT | 27-APR-2017 | 75 | 20,100 | - |
| VEDL | FUT | 27-APR-2017 | 3,500 | 245,000 | - |
| ADANIPOWER | OPT | 27-APR-2017 | 20,000 | - | 1,000,000 |

25.3 Income and Expenditure in Foreign Currency

| Particulars | 2016-2017 | 2015-2016 |
|---------------------------------|-----------|-----------|
| | Rs | Rs |
| Expenditure in foreign currency | NIL | NIL |
| Earnings in foreign exchange | NIL | NIL |

25.4 Trade Receivable, Loans and Advances and Unsecured Loans are subject to confirmation.

25.5 Employee Benefit Plans

- A) As number of employees working in company are less than Ten, Gratuity provisions as per Accounting Standard 15 issued by Institute of Chartered Accountants of India does not apply to the company.
- B) The company has made provision for Leave Salary on the actual balance leaves of the employees for the FY 2016-2017, calculated at the monthly basic plus HRA salary of the employees for the FY 2017-2018.

25.6 The Company has a policy of booking Income received from “Kshitij Venture Capital Fund” and “Urban Infrastructure Opportunities Fund” on the basis of provisional income statement received from respective Venture Capital Fund Manager.

- 25.7**
- A) Fixed deposits with bank of Rs. 3,75,614/- includes fixed deposit of Rs. 3,08,871/- in the name of District and Sessions Judge, Ujjain deposited as guarantee money. However, the entire amount of Rs. 3,75,614 is subject to reconciliation and confirmation from the respective banks and authorities. The Fixed Deposit of Rs. 3,08,871/- was renewed in August 2003 having maturity in June 2006 with a maturity value Rs. 4,84,974/. Since the status of the case is pending & there is no communication of renewal of Fixed Deposit post June 2006. Considering this fact, the company has not accounted for any interest income on the said fixed deposit.
 - B) During the F.Y. 2004-05, Company has kept Rs. 100.70 Lacs in Escrow account in fixed deposit in the name of Arcil Catalyst Private Limited previously known as ‘Atofina’ with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminum Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited. The present value of the fixed deposit as on 31st March, 2017 is Rs. 18,752,326. Since the fixed deposit is in the name of Arcil Catalyst Private Limited no income on same is accounted for by the Company. Only in the event of a favourable outcome from the apex court in favour of the company, proceeds of fixed deposit will be received, the Company will account for interest income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 26 Other Disclosures

| 26.1 | Related party transactions | |
|------|---|---|
| | Details of related parties: | |
| | Description of relationship | Names of related parties |
| | Subsidiaries | Sareshwar Trading & Finance Pvt Ltd Arkaya Commercials Pvt. Ltd. |
| | Associates | Arcies Laboratories Ltd |
| | Entities in which KMP / relatives of KMP have significant influence & Other group companies | Four Dimensions Commodities Pvt. Ltd. Four Dimensions Securities (India) Ltd. Geecee Ventures Ltd Geecee Investments Ltd Geecee Business Pvt Ltd Sam Jag-Deep Investment Pvt Ltd Urudavan Investment and Trading Pvt Ltd. Winro Commercial (India) Ltd |
| | Key Management Personnel (KMP) as on 31/03/2017 | <ul style="list-style-type: none"> • Shri Harisingh Shyamsukha - Director • Shri Anil Kumar Rajan - Director • Shri Ketan Desai - Director • Mrs Babita Thaker - Director • Mr Nalin Kothari - CEO (upto 11-08-2016) • Mr Rajiv Pathak - CEO (w.e.f. 11-08-2016) • Mrs Vaishali Rajesh Dhuri - CFO • Mrs Ekta Kumari - Company Secretary |

- Note: 1. Pursuant to the scheme of Amalgamation between Aroni Commercials Limited (the transferor company) and Saraswati Commercial (India) Limited (the transferee company) along with the order passed by the Hon'ble National Company Law Tribunal, Mumbai bench on 16th March, 2017, Arkaya Commercial Private Limited and Sareshwar Trading and Finance Private Limited became the subsidiaries as on the effective date 31st March, 2017.
2. Related parties have been identified by the Management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26.2 Details of related party transactions during the year ended 31st March, 2017 and balances outstanding as at 31st March, 2017:

| Particulars | Subsidiaries | Associates | KMP | Relatives of KMP | Others | Total | |
|-------------|--|-------------|----------|------------------|--------|---------------|---------------|
| | Rs | Rs | Rs | Rs | Rs | Rs | |
| a | Brokerage Paid | - | - | - | - | 5,571,171 | 5,571,171 |
| | | (-) | (-) | (-) | (-) | (3,876,639) | (3,876,639) |
| b | Employee benefit expenses | - | - | 7,657,476 | - | - | 7,657,476 |
| | | (-) | (-) | (1,723,804) | (-) | (-) | (1,723,804) |
| c | Interest Received on Loan | - | - | - | - | 15,039,301 | 15,039,301 |
| | | (-) | (-) | (-) | (-) | (167,219) | (167,219) |
| d | Dividend Received | - | - | - | - | - | - |
| | | (-) | (-) | (-) | (-) | (873,501) | (873,501) |
| e | Interest Paid | - | - | - | - | 3,129,102 | 3,129,102 |
| | | (-) | (-) | (-) | (-) | (267,816) | (267,816) |
| f | Miscellaneous Expenses | - | - | - | - | 8,485 | 8,485 |
| | | (-) | (-) | (-) | (-) | (12,000) | (12,000) |
| | Finance & Investment | | | | | | |
| g | Loan Taken | - | - | - | - | 702,058,266 | 702,058,266 |
| | | (-) | (-) | (-) | (-) | (225,100,000) | (225,100,000) |
| h | Loan Repaid | - | - | - | - | 702,058,266 | 702,058,266 |
| | | (-) | (-) | (-) | (-) | (225,100,000) | (225,100,000) |
| i | Loans Advanced | - | - | - | - | 1,988,195,703 | 1,988,195,703 |
| | | (-) | (-) | (-) | (-) | (85,550,000) | (85,550,000) |
| j | Loans Received back | - | - | - | - | 1,819,195,703 | 1,819,195,703 |
| | | (-) | (-) | (-) | (-) | (85,550,000) | (85,550,000) |
| k | Investment purchased | - | - | - | - | 161,555,327 | 161,555,327 |
| | | (-) | (-) | (-) | (-) | (-) | (-) |
| | Balances outstanding at the end of the year | | | | | | |
| l | Other Current Liability | - | - | 541,647 | - | 2,813,613 | 3,355,260 |
| | | (-) | (-) | (70,000) | (-) | (241,034) | (311,034) |
| m | Trade Payable | - | - | - | - | 77,276,540 | 77,276,540 |
| | | (-) | (-) | (-) | (-) | (-) | (-) |
| n | Short Term loan & Advances | - | - | - | - | 169,000,000 | 169,000,000 |
| | | (-) | (-) | (1,570) | (-) | (-) | (1,570) |
| o | Trade Receivable | - | - | - | - | - | - |
| | | (-) | (-) | (-) | (-) | (416,625) | (416,625) |
| p | Investments | 2,005,303 | 25,000 | - | - | 352,120,892 | 354,151,195 |
| | | (1,687,053) | (25,000) | (-) | (-) | (107,092,452) | (108,804,505) |
| q | Other Current Assets | - | - | - | - | 10,427,927 | 10,427,927 |
| | | - | (-) | (-) | (-) | (150,501) | (150,501) |

Note: Figures in bracket relates to the previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Disclosure in respect of Material Related Party Transactions during the year

| Particulars | | Relation | 2016-17 | 2015-16 |
|-------------|--|----------|---------------|-------------|
| | | | Rs | Rs |
| a | Brokerage Paid | | | |
| | Four Dimensions Securities (India) Ltd | Others | 5,571,171 | 3,876,639 |
| b | Employee benefit expenses- Transferee Company | | | |
| | Mr Nalin Kothari | KMP | 488,212 | 834,617 |
| | Mrs Vaishali Dhuri | KMP | 829,948 | 736,787 |
| | Mrs Ekta Kumari | KMP | 152,400 | 152,400 |
| | Mr Rajiv Pathak | KMP | 2,288,030 | - |
| | Employee benefit expenses- Transferor Company | | | |
| | Mr. Anoop Chaturvedi | KMP | 739,775 | - |
| | Mrs. Shreya Dhende | KMP | 762,053 | - |
| | Mr. Nirav Shah | KMP | 2,397,058 | - |
| c | Interest Received on Loan | | | |
| | Four Dimensions Securities (India) Ltd. | Others | 3,610,884 | 167,178 |
| | Kothari Premises Pvt Ltd | Others | 10,607,032 | - |
| | GeeCee Investment Ltd. | Others | 700,867 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 120,518 | 41 |
| d | Dividend Received | | | |
| | Geecee Ventures Ltd | Others | - | 873,501 |
| e | Miscellaneous Expenses | | | |
| | Mr Nalin Kothari | KMP | 2,895 | 6,000 |
| | Mrs Vaishali Dhuri | KMP | 5,590 | 6,000 |
| f | Interest Paid | | | |
| | Geecee Investments Ltd | Others | 2,866 | 49,159 |
| | Winro Commercial (India) Ltd | Others | 3,126,236 | 218,657 |
| | Finance & Investment | | | |
| g | Loan Taken | | | |
| | Geecee Investments Ltd | Others | 14,900,000 | 45,800,000 |
| | Winro Commercial (India) Ltd | Others | 687,158,266 | 179,300,000 |
| h | Loan Repaid | | | |
| | Geecee Investments Ltd | Others | 14,900,000 | 45,800,000 |
| | Winro Commercial (India) Ltd | Others | 687,158,266 | 179,300,000 |
| i | Loans Advanced | | | |
| | Geecee Investments Ltd | Others | 186,594,243 | - |
| | Four Dimensions Securities (India) Ltd | Others | 1,303,350,460 | 85,500,000 |
| | Kothari Premises Pvt Ltd | Others | 364,951,000 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 133,300,000 | 50,000 |
| j | Loans Received back | | | |
| | Geecee Investments Ltd | Others | 186,594,243 | - |
| | Four Dimensions Securities (India) Ltd | Others | 1,134,350,460 | 85,500,000 |
| | Kothari Premises Pvt Ltd | Others | 364,951,000 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 133,300,000 | 50,000 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | | Relation | 2016-17 | 2015-16 |
|-------------|--|------------|--------------------|------------|
| | | | Rs | Rs |
| k | Purchase of Investment from | | | |
| | Geecee Investments Ltd | Others | 107,703,551 | - |
| | Winro Commercial (India) Ltd | Others | 53,851,776 | - |
| | Balances outstanding at the end of the year | | | |
| l | Trade Payable | | | |
| | Four Dimensions Securities (India) Ltd | Others | 77,276,540 | - |
| m | Other Current Liabilities | | | |
| | Interest Payable | | | |
| | Geecee Investments Ltd | Others | - | 44,243 |
| | Winro Commercial (India) Ltd | Others | 2,813,613 | 196,791 |
| | Employee benefits payable | | | |
| | Mr Nalin Kothari | KMP | - | 35,000 |
| | Mr Rajiv Pathak | KMP | 372,587 | - |
| | Mrs Vaishali Dhuri | KMP | 156,060 | 35,000 |
| | Mrs Ekta Kumari | KMP | 12,500 | - |
| | Telephone Expenses Payable | | | |
| | Mrs Vaishali Dhuri | KMP | 500 | - |
| n | Other Current Assets | | | |
| | Four Dimensions Securities (India) Ltd. | Others | 145,218 | 150,460 |
| | Kothari Premises Pvt Ltd | Others | 9,546,329 | - |
| | GeeCee Investment Ltd. | Others | 627,914 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 108,466 | 41 |
| o | Short Term loan & Advances | | | |
| | Mr Nalin Kothari | KMP | - | 1,570 |
| | Mrs Vaishali Dhuri | KMP | - | - |
| | Four Dimensions Securities (India) Ltd. | Others | 169,000,000 | - |
| p | Trade Receivable | | | |
| | Four Dimensions Securities (India) Ltd | Others | - | 416,625 |
| q | Investments | | | |
| | Sareshwar Trading & Finance Pvt. Ltd. | Subsidiary | 1,837,053 | 1,637,053 |
| | Geecee Venture Ltd | Others | 220,581,377 | Bonus |
| | Geecee Investments Ltd | Others | 812,436 | 752,636 |
| | Aroni Commercials Ltd | Others | - | 7,002,554 |
| | Winro Commercial (India) Ltd | Others | 684,209 | 684,209 |
| | Arkaya Commercial Pvt Ltd | Subsidiary | 168,250 | 50,000 |
| | Arcies Laboratories Ltd | Associates | 25,000 | 25,000 |
| | Four Dimensions Commodities Pvt Ltd. | Others | 130,000 | 130,000 |
| | Four Dimensions Securities (I) Limited | Others | 123,064,220 | 98,523,053 |
| | GeeCee Business Private Limited | Others | 6,848,650 | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26.3 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

| Particulars | | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-------------|---|------------------------------------|------------------------------------|
| | | Rs | Rs |
| (a) | Principal amount remaining unpaid to any supplier at the end of the accounting year. | - | - |
| (b) | Interest due thereon remaining unpaid to any supplier at the end of the accounting year. | - | - |
| (c) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| (d) | The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| (e) | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

26.4 As per Notification (G's.R 308) dated 30th March, 2017 by the Ministry of Corporate Affairs, following are the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 :

| Particulars | Specified Bank Notes (SBN) | Other denomination notes | Coins | Total |
|---|----------------------------|--------------------------|-------|----------------|
| (a) Closing Cash in hand as on 08-11-2016 | 86,500 | 700 | 85 | 87,285 |
| (b) (+) Permitted receipts | - | 300,000 | - | 300,000 |
| (c) (-) Permitted Payments | - | 35,007 | - | 35,007 |
| (d) (-) Amount deposited in Banks | 86,500 | - | - | 86,500 |
| (e) Closing cash in hand as on 30-12-2016 | - | 265,693 | 85 | 265,778 |

Note : The above details of cash transactions are the combined cash transaction of Saraswati Commercial (India) limited and Aroni Commercial Limited.

26.5 The company has borrowed short term loan from Barclays Investments and Loans (India) Limited against which the promoters and the company have pledged the shares of various companies held by them. The list of pledge securities by company as on 31st March, 2017 are as follows

| Name of Security | No of shares |
|---|--------------|
| Aditya Birla Fashion & Retail Limited | 40,000 |
| Housing Development Finance Corporation Limited | 9,000 |
| LIC Housing Finance Limited | 10,000 |
| MRF Limited | 300 |
| Sanofi India Limited | 13,000 |
| Shriram City Union Finance Limited | 2,000 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

27 Disclosure as per Annexure 4 of Reserve Bank of India’s Notification no. DNBR.19/ CGM (CDS)-2015 dated 10th April, 2015 on Non-Banking Financial Companies-Corporate Governance (Reserve Bank) Directions, 2015 read with the requirements as required by Annexure XII of Non Banking Financial Company – Systematically Important – Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

27.1 Summary of Significant Accounting Policies

The summary of Significant Accounting Policies is disclosed in Note No.1 & 2 to the Financial Statements.

27.2 Capital to Risk Assets Ratio (“CRAR”)

| Items | As at 31 st March, 2017 |
|---|------------------------------------|
| CRAR (%) | 78.34 |
| CRAR – Tier I Capital (%) | 78.23 |
| CRAR – Tier II Capital (%) | 0.11 |
| Amount of subordinated debt raised as Tier-II Capital | - |
| Amount raised by issue of perpetual Debt Instruments | - |

27.3 Investments

| Particulars | As at 31 st March, 2017 |
|---|------------------------------------|
| (I) Value of Investments | |
| (i) Gross Value of Investments | 983,607,790 |
| (a) In India | 983,607,790 |
| (b) Outside India, | - |
| (ii) Provisions for Depreciation | - |
| (a) In India | - |
| (b) Outside India, | - |
| (iii) Net Value of Investments | 983,607,790 |
| (a) In India | 983,607,790 |
| (b) Outside India, | - |
| (II) Movement of provisions held towards depreciation on investments | |
| (i) Opening balance | - |
| (ii) Add : Provisions made during the year | - |
| (iii) Less : Write-off / write-back of excess provisions during the year | - |
| (iv) Closing balance | - |

27.4 Derivatives

Forward Rate Agreement / Interest Rate Swap:

The Company has not entered into any Forward Rate Agreement / Interest Rate Swap transactions during the current financial year and in the previous financial year.

Exchange Traded Interest Rate (IR) Derivatives :

The Company has not entered into any Exchange Traded Interest Rate (IR) Derivatives transactions during the current financial year and in the previous financial year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Disclosures on Risk Exposure in Derivatives :

The Company has not entered into any Currency Derivatives transactions during the current financial year and in the previous financial year. However, the company has entered into equity /index Futures and Options contracts during the current as well as previous financial year. The Mark to Market Gains or losses have been recognized as per as per the Guidance Note on “accounting for Derivative Contracts (2015)” issued by The Institute of Chartered Accountants of India and shown under the head “Profit / (Loss) on futures & options segment” in note no. 20 to the financial statement.

27.5 Disclosures relating to Securitisation

The Company has not done any Securitisation during the current financial year and in the previous financial year. Hence disclosures relating to Securitisation are not applicable.

27.5.1 Details of non-performing financial assets purchased / sold

The Company has neither purchased nor sold any Non Performing Financial Assets during the current financial year and in the previous financial year.

27.6 Maturity pattern of certain items of Assets and Liabilities

| Particulars | Deposit | Advances | Investments | Borrowings | Foreign Currency Assets | Foreign Currency Liabilities |
|------------------------------|---------|--------------------|--------------------|-------------------|-------------------------|------------------------------|
| 1 day to 30/31 days | - | 126,300,000 | 73,418,142 | 80,000,000 | - | - |
| Over one month upto 2 months | - | 14,595,000 | 128,637,369 | - | - | - |
| Over 2 months upto 3 months | - | - | - | - | - | - |
| Over 3 months upto 6 months | - | 51,000,000 | - | - | - | - |
| Over 6 months upto 1 year | - | 51,855,000 | - | - | - | - |
| Over 1 year upto 3 years | - | - | 271,451 | - | - | - |
| Over 3 years upto 5 years | - | - | - | - | - | - |
| Over 5 years | - | - | 781,280,829 | - | - | - |
| Total | - | 243,750,000 | 983,607,790 | 80,000,000 | - | - |

Note:

Maturity pattern of the Investments are based on the Management’s intention to hold them for a desired period.

27.7 Exposure to Real Estate Sector

| Category | As at 31 st March, 2017 |
|--|------------------------------------|
| a) Direct Exposure | |
| (i) Residential Mortgages | |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: | Nil |
| (ii) Commercial Real Estate | |
| Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi-tenanted commercial premises, multi-family residential premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits. | Nil |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Category | As at 31 st March, 2017 |
|---|---------------------------------------|
| (iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures | |
| 1. Residential | Nil |
| 2. Commercial Real Estate | Nil |

Exposure to Capital Market

| Particulars | As at 31 st March, 2017 |
|--|---------------------------------------|
| (i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;* | 959,043,860 |
| (ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | - |
| (iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | - |
| (iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances; | - |
| (v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | 169,000,000 |
| (vi) loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - |
| (vii) bridge loans to companies against expected equity flows / issues; | - |
| (viii) all exposures to Venture Capital Funds (both registered and unregistered) | - |
| Total Exposure to Capital Market | 1,128,043,860 |

***Note :** The Company has made an investment of Rs. 26,200,924 in Housing Finance Company (Rs. 9,454,575 in Housing Development Finance Corporation Limited, Rs. 6,423,291 in LIC Housing Finance Limited & Rs. 10,323,058 in Repco Home Finance Limited) which are included in exposure to Capital Market.

27.8 Details of financing of parent company products

The Company does not finance its parent company products. Hence this clause is not applicable.

27.9 Details of Single Borrower Limit (SGL)/ Group Borrower Limit GBL exceeded by the NBFC

The Company does not exceed Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) as prescribed in RBI prudential norms.

27.10 Unsecured Advances

The Company has given unsecured loans/advances during current as well as previous year. The outstanding amount of unsecured loans/advances as on 31st March, 2017 is Rs. 243,750,000. The Company has not given any advances against intangible security.

27.11 Miscellaneous

27.11.1 Registration obtained from other financial sector regulators

Not Applicable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

27.11.2 Disclosure of Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and any other regulator.

27.11.3 Related Party Transactions

Details of all material transactions with related parties: Refer note no. 26.

27.11.4 Ratings assigned by credit rating agencies and migration of ratings during the year

Not Applicable.

27.11.5 Remuneration of Directors

The Company has not paid any remuneration to any director of the Company.

27.11.6 Management

Management Discussion and Analysis Report has been incorporated in the Directors Report.

27.11.7 Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items. Accordingly there is no impact on profit / loss of the Company.

27.11.8 Revenue Recognition

The company has not postponed recognition of revenue on account of any pending resolution of significant uncertainties.

27.11.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

The Company has presented the Consolidated Financial Statement as per the guidelines & clarification provided by ICAI.

27.12 Additional Disclosures

27.12.1 Provisions and Contingencies

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account | As at 31 st March, 2017 |
|--|------------------------------------|
| Provisions for depreciation on Investment | - |
| Provision towards NPA | - |
| Provision made towards Income tax | 2,483,000 |
| Provision for employee benefits | 339,523 |
| Other Provision and Contingencies (with details) | - |
| Provision for Standard Assets | 779,684 |

27.12.2 Draw Down from Reserves

The Company has not made any draw down from reserves during the current and previous year.

27.12.3 Concentration of Deposits, Advances, Exposures and NPAs

1. Concentration of Deposits (for deposit taking NBFCs)

As the Company is a non-deposit taking/holding NBFC, details as required under this clause is not applicable.

2. Concentration of Advances

| Particulars | (Amount in Rs) |
|--|----------------|
| Total Advances to twenty largest borrowers | 243,750,000 |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 100.00% |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. Concentration of Exposures

| Particulars | (Amount in Rs) |
|--|----------------|
| Total Exposure to twenty largest borrowers / Customers* | 1,084,894,470 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 90.20% |

***Note:**

Total Exposure includes investment made in shares of another company (including Group companies) as well as loans given.

4. Concentration of NPAs

The Company does not have any Non-Performing Assets.

5. Sector-wise NPAs

The Company does not have any Non-Performing Assets.

27.12.4 Movement of NPAs

The Company does not have any Non-Performing Assets, and then the details as required under this clause is not applicable.

27.12.5 Overseas Assets

The Company does not have any overseas Assets nor have made any Investments in any Overseas Joint venture or Overseas Subsidiary.

27.12.6 Off-balance Sheet SPVs sponsored

The Company does not have any off balance sheet SPVs sponsored.

27.12.7 Disclosure of Complaints

1. Customer Complaints

| | | |
|-----|--|-----|
| (a) | No. of complaints pending at the beginning of the year | NIL |
| (b) | No. of complaints received during the year | NIL |
| (c) | No. of complaints redressed during the year | NIL |
| (d) | No. of complaints pending at the end of the year | NIL |

Note:

The Company become the Systemically Important Non-Banking Financial Company (NBFC) as on 31st March, 2017 based on group level. The Individual Assets size of the company is not exceeding 500 cr. but as group level the assets size of all the NBFC in group exceeds 500Cr. as on 31st March, 2017. Therefore, figures for the previous year are not given.

28.1 Earnings per share

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| (a) Profit available for equity shareholders | 52,240,475 | 138,326,826 |
| (b) Weighted average number of Equity Shares for Basic Earnings per share (Nos.) | 640,000 | 640,000 |
| (c) Effect of weighted average of potential equity shares on issue of shares in Amalgamation (Nos.) | 390,593 | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|-------------|--|--|--|
| | | Rs | Rs |
| (d) | Weighted average number of equity shares for Diluted Earnings Per share (Nos.) | 1,030,593 | 640,000 |
| (e) | Nominal Value of Equity Shares (Rs.) | 10.00 | 10.00 |
| (f) | Basic Earnings per share (Rs.) | 81.63 | 216.14 |
| (g) | Diluted Earnings per share (Rs.)* | 50.69 | 216.14 |

*Note :The diluted earning per share has been calculated after considering total number shares post allotment.

28.2 Disclosure as per Regulation 34 (3) & 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

Loans and advances (including interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested

| Particulars | Balance Sheet as at | Maximum balance outstanding during the year ended | Balance Sheet as at | Maximum balance outstanding during the year ended |
|--|---------------------------------|---|---------------------------------|---|
| | 31 st March, 2017 | 31 st March, 2017 | 31 st March, 2016 | 31 st March, 2016 |
| Subsidiaries | | | | |
| Arkaya Commercial Private Limited | - | - | - | - |
| Sareshwar Trading & Finance Private Limited | - | - | - | - |
| Associate: | | | | |
| Arcies Laboratories Limited | - | - | - | - |
| Companies in which directors are interested | - | - | - | - |

28.3 The Company has spent Rs. 27 Lakh (previous year Rs. 6 Lakh) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| (a) Gross amount required to be spent by the Company during the year. | 2,260,500 | 600,000 |
| (b) Amount spent during the year: | | |
| In Cash | 2,700,000 | 600,000 |
| Yet to be paid in cash | - | - |
| TOTAL | 2,700,000 | 600,000 |
| (i) Construction/acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 2,700,000 | 600,000 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- 28.4** The figures for the year ended 31st March 2017 are the merged figures of Saraswati Commercial (India) Limited (Transferee Company) and Aroni Commercials Limited (transferor company) & therefore the same are not strictly comparable with those of previous year.
- 28.5** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

ANNEXURE (FORMING PART OF THE ACCOUNTS)

Schedule to the Balance Sheet

{as required in terms of paragraph 18 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.}

(Rs. in Lakhs)

| Particulars | 31 st March, 2017 | | 31 st March, 2016 | |
|--|------------------------------|----------------|------------------------------|----------------|
| | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue |
| Liabilities Side : | | | | |
| (1) Loans and advances availed by the NBFCs inclusive interest accrued thereon but not paid : | | | | |
| (a) Debentures : Secured | Nil | Nil | Nil | Nil |
| : Unsecured | Nil | Nil | Nil | Nil |
| (Other than falling within the meaning of public deposit*) | | | | |
| (b) Deferred Credits | Nil | Nil | Nil | Nil |
| (c) Term Loans | Nil | Nil | Nil | Nil |
| (d) Inter-corporate Loans and Borrowings | 829.00 | Nil | 4,223.00 | Nil |
| (e) Commercial Paper | Nil | Nil | Nil | Nil |
| (f) Other Loans (specify nature) | Nil | Nil | Nil | Nil |
| * Please see Note 1 below | | | | |
| Assets Side : | | | | |
| (2) Break-up of Loans and Advances including bills receivables {other than those included in (4) below} : | | | | |
| (a) Secured | | Nil | | Nil |
| (b) Unsecured | | | | |
| Inter Corporate deposits | 2,390.00 | | 400.00 | |
| Loan to Employees | 2.82 | | - | |
| Other loan | 47.50 | | 47.50 | |
| Others : | | | | |
| Prepaid Expenses | 0.89 | | 0.44 | |
| Security Deposit | 101.06 | | - | |
| Advance Income Tax (Net) | 93.18 | 2,635.45 | 35.93 | 483.87 |
| (3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities | | | | |
| (i) Lease assets including lease rentals under sundry debtors : | | | | |
| (a) Financial lease | | Nil | | Nil |
| (b) Operating lease | | | | |

| Particulars | 31 st March, 2017 | 31 st March, 2016 |
|--|------------------------------|------------------------------|
| (ii) Stock on hire including hire charges under sundry debtors : | Nil | Nil |
| (a) Assets on hire | | |
| (b) Repossessed Assets | | |
| (iii) Other loans counting towards AFC activities | Nil | Nil |
| (a) Loans where assets have been repossessed | | |
| (b) Loans other than (a) above | | |
| (4) Break-up of Investments | | |
| Current Investments : | | |
| 1. Quoted : | | |
| i) Shares : (a) Equity | 113.65 | 1176.35 |
| (b) Preference | Nil | Nil |
| ii) Debentures and Bonds | Nil | 182.98 |
| iii) Units of mutual funds | Nil | 499.33 |
| iv) Government Securities | Nil | Nil |
| v) Others (Commercial Paper) | Nil | Nil |
| 2. Unquoted : | | |
| i) Shares : (a) Equity | 2.71 | 2.71 |
| (b) Preference | Nil | Nil |
| ii) Debentures and Bonds | Nil | Nil |
| iii) Units of mutual funds | Nil | Nil |
| iv) Government Securities | Nil | Nil |
| v) Others | 245.58 | 2541.3 |
| Long Term Investments : | | |
| 1. Quoted : | | |
| i) Shares : (a) Equity | 7577.56 | 942.18 |
| (b) Preference | Nil | Nil |
| ii) Debentures and Bonds | Nil | Nil |
| iii) Units of mutual funds | Nil | Nil |
| iv) Government Securities | Nil | Nil |
| v) Others (Please specify) | Nil | Nil |
| 2. Unquoted : | | |
| i) Shares : (a) Equity | 1896.52 | 1578.89 |
| (b) Preference | 0.06 | Nil |
| ii) Debentures and Bonds | Nil | Nil |
| iii) Units of mutual funds | Nil | Nil |
| iv) Government Securities | Nil | Nil |
| v) Others (Please specify) | | |

(5) Borrower group-wise classification of all leased assets financed as in (2) and (3) above Please see note 2 below :

| Category | 31 st March, 2017 | | | 31 st March, 2016 | | |
|---------------------------------|------------------------------|----------------|----------------|------------------------------|---------------|---------------|
| | Amount net of Provisions | | | Amount net of Provisions | | |
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1 Related Parties ** | | | | | | |
| (a) Subsidiaries | Nil | Nil | Nil | Nil | Nil | Nil |
| (b) Companies in the same group | Nil | 1690.00 | 1690.00 | Nil | Nil | Nil |
| (c) Other Related Parties | Nil | Nil | Nil | Nil | Nil | Nil |
| 2 Other than Related parties | Nil | 945.45 | 945.45 | Nil | 483.87 | 483.87 |
| Total | Nil | 2635.45 | 2635.45 | Nil | 483.87 | 483.87 |

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

| Category | 31 st March, 2017 | | 31 st March, 2016 | |
|---------------------------------|---|-------------------------------------|---|-------------------------------------|
| | Market Value/ Break up or fair value or NAV | Book Value (Net of Provision) | Market Value/ Break up or fair value or NAV | Book Value (Net of Provision) |
| 1 Related Parties ** | | | | |
| (a) Subsidiaries | 17.02 | 20.05 | Nil | Nil |
| (b) Companies in the same group | 7610.77 | 3521.46 | 3698.71 | 1088.05 |
| (c) Other Related Parties | Nil | Nil | Nil | Nil |
| 2 Other than Related parties | 8287.98 | 6294.57 | 6223.53 | 5835.70 |
| Total | 15,915.77 | 9,836.08 | 9,922.24 | 6,923.75 |

** As per Accounting Standard of ICAI (Please see Note 3)

(7) Other information

| Particulars | 31 st March, 2017 | 31 st March, 2016 |
|---|---------------------------------|---------------------------------|
| | Rs | Rs |
| (i) Gross Non-Performing Assets | | |
| (a) Related parties | Nil | Nil |
| (b) Other than related parties | Nil | Nil |
| (ii) Net Non-Performing Assets | | |
| (a) Related parties | Nil | Nil |
| (b) Other than related parties | Nil | Nil |
| (iii) Assets acquired in satisfaction of debt | Nil | Nil |

Notes :

- As defined in paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 or Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 whichever is applicable.

- 3 All accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.
- 4 Current Investment in NBFC Report includes Stock in Trade of Shares Shown as “Inventories” in the Balance Sheet.
- 5 Long Term Investment in NBFC Report includes Investment Shown in the Balance Sheet as “Non - Current Investment”.

In terms of our Report attached
For AJMERA AJMERA & ASSOCIATES
Chartered Accountants
FRN 123989W

Sd/-
Sandeep Ajmera
Partner
Membership No. 48277

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-
Harisingh Shyamsukha
Director
DIN : 00033325

Sd/-
Vaishali Rajesh Dhuri
Chief Financial Officer

Place : Mumbai
Date : 29th May, 2017

Sd/-
Anil Kumar Rajan
Director
DIN : 00054704

Sd/-
Ekta Kumari
Company Secretary

INDEPENDENT AUDITORS' REPORT

To,

The Members of

SARASWATI COMMERCIAL (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SARASWATI COMMERCIAL (INDIA) LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding and its subsidiary together referred to as "the Group") and its associate company which comprise the Consolidated Balance Sheet as at 31st March, 2017, the consolidated statement of Profit & Loss Account and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statements").

Management's Responsibility for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts), Rules 2014. The respective Board of Directors of the Companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provision 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March 2017 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2.17 to the Consolidated Financial Statement which describes the Scheme of Amalgamation of Aroni Commercials Limited (Transferor Company) with Saraswati Commercial (India) Limited (Transferee Company), having appointed date 1st April 2015, sanctioned by the Hon'able National Company Law Tribunal (NCLT) on 16th March, 2017.

All assets and liabilities of the transferor company are transferred, in the books of Transferee Company, at the value appearing in the books of account of Transferor Company as on appointed date.

Accordingly, the figures for the year ended 31st March 2017 and 31st March 2016 are not comparable. Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statement of two subsidiaries whose financial statements reflect total assets of Rs. 28.64 lacs as at 31st March 2017, total revenues of Rs. nil and loss of Rs. 0.40 lacs and net cash outflow amounting to Rs 0.11 lacs for the year ended on that date as considered in the consolidated financial statements. The consolidated financial statements also includes the Company's share of net loss of Rs. Nil for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of its associate, Arcies Laboratories Limited whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statement, and our report on other Legal and Regulatory Requirement below is not modified in the respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statement of the subsidiaries referred in the Other Matters above, 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 purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance sheet, the Consolidated statement of Profit & Loss and the Consolidated cash flow statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (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) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and associate companies incorporated in India, none of the directors of the Holding Company and its subsidiaries and associate companies incorporated in India is disqualified as on 31st March, 2017 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"; and

- (g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Company and its associates -Refer Note No. 26.1 to the Consolidated financial statements;
 - ii. The Group and its associates did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Group and its associates.
 - iv. The Holding Company has provided requisite disclosures in note no. 26.12 of consolidated financial statements as regards its holding and dealings in Specified Bank Notes as defined in Notification S.O 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group. Based on the audit procedure performed and the representation provided to us by the management we report that disclosures are in accordance to the books of accounts maintained by the company and as produced to us by the management of Holding Company.

**For AJMERA AJMERA AND ASSOCIATES
FIRM REGISTRATION NO.123989W
CHARTERED ACCOUNTANTS**

**Sd/-
SANDEEP AJMERA
PARTNER
MEMBERSHIP NO. 048277**

**PLACE: MUMBAI
DATED: 29th May, 2017**

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 31st March, 2017, we have audited the internal financial controls over financial reporting of SARASWATI COMMERCIAL (INDIA) LIMITED and its subsidiary companies, its associate, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies and associate, which are companies 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 Holding Company, its subsidiaries and associate, which are companies incorporated in India , internal financial controls over financial reporting based on 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 aspects.

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 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 and the audit evidence obtained by the other auditors of subsidiary companies and associate companies which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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.

Opinion

In our opinion, the Holding Company, its subsidiaries and associate, which are companies 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 31st March 2017, based on the internal control over financial reporting criteria established by the Holding 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 report Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial controls over financial reporting in so far as it relates to two subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of the above matters

**For AJMERA AJMERA AND ASSOCIATES
FIRM REGISTRATION NO.123989W
CHARTERED ACCOUNTANTS**

**Sd/-
SANDEEP AJMERA
PARTNER
MEMBERSHIP NO. 048277**

**PLACE: MUMBAI
DATED: 29th May, 2017**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Note No. | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|----------|------------------------------------|------------------------------------|
| | | Rs | Rs |
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 3 | 6,400,000 | 6,400,000 |
| (b) Reserves and surplus | 4 | 1,150,380,765 | 345,163,610 |
| | | 1,156,780,765 | 351,563,610 |
| 2 Shares pending allotment | 2.17 | 3,905,930 | - |
| 3 Minority Interest | | 1,090,287 | - |
| 4 Non-current liabilities | | | |
| (a) Long-term provisions | 5 | 2,001,848 | 326,921 |
| 5 Current liabilities | | | |
| (a) Short term borrowings | 6 | 80,000,000 | 422,282,033 |
| (b) Trade Payables | | | - |
| total outstanding dues of : | | | |
| (i) Micro enterprises and Small enterprises | | | |
| (ii) Creditors other than micro enterprises and Small enterprises | 7 | 77,338,603 | |
| (c) Other current liabilities | 8 | 6,701,946 | 46,547,104 |
| (d) Short-term provisions | 9 | 893,225 | 113,541 |
| | | 164,933,774 | 468,942,678 |
| TOTAL | | 1,328,712,604 | 820,833,209 |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 10 | 791,908 | 31,495 |
| (b) Non-current investments | 11 | 948,207,709 | 251,700,900 |
| (c) Deferred tax assets (net) | 12 | 24,894,208 | 9,609,069 |
| (d) Long-term loans and advances | 13 | 10,114,626 | 11,214 |
| (e) Other non-current assets | 14 | 195 | - |
| | | 984,008,646 | 261,352,678 |
| 2 Current assets | | | |
| (a) Current investments | 15 | 24,557,680 | 254,130,183 |
| (b) Inventories | 16 | 11,636,701 | 186,136,516 |
| (c) Trade receivables | 17 | 26,742,245 | 61,984,076 |
| (d) Cash and Bank balance | 18 | 16,271,817 | 863,259 |
| (e) Short-term loans and advances | 19 | 253,436,777 | 48,375,328 |
| (f) Other current assets | 20 | 12,058,738 | 7,991,169 |
| | | 344,703,958 | 559,480,531 |
| TOTAL | | 1,328,712,604 | 820,833,209 |
| Significant Accounting Policies | 1 & 2 | | |

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | Note No. | For the year ended | For the year ended |
|--|----------|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| 1 Revenue from operations | 21 | 64,389,355 | 92,434,282 |
| 2 Other income | 22 | 43,120,613 | 98,398,158 |
| 3 Total revenue (1+2) | | 107,509,968 | 190,832,440 |
| 4 Expenses | | | |
| (a) Employee benefits expense | 23 | 14,895,345 | 7,418,815 |
| (b) Finance costs | 24 | 28,400,690 | 42,018,613 |
| (c) Depreciation and amortisation expense | 10 | 318,466 | 11,003 |
| (d) Other expenses | 25 | 12,541,059 | 3,021,360 |
| Total expenses | | 56,155,560 | 52,469,791 |
| 5 Profit before exceptional and extraordinary items and tax (3 - 4) | | 51,354,408 | 138,362,649 |
| 6 Exceptional items | | - | - |
| 7 Profit before extraordinary items and tax (5 ± 6) | | 51,354,408 | 138,362,649 |
| 8 Extraordinary items | | - | - |
| 9 Profit before tax (7 ± 8) | | 51,354,408 | 138,362,649 |
| 10 Tax expense: | | | |
| (a) Current tax expense for current year | | 2,483,000 | 9,380,000 |
| (b) Current tax expense relating to prior years | | 1,768,637 | - |
| (c) Net current tax expense | | 4,251,637 | 9,380,000 |
| (d) Deferred tax | 12 | (5,097,833) | (9,344,177) |
| | | (846,196) | 35,823 |
| 11 Profit after tax before share profit/ loss of associate & minority interest (9-10) | | 52,200,604 | 138,326,826 |
| 12 Share in loss of associate for the year | | - | (6,121) |
| 13 Profit after tax before share of profit / (loss) attributable to minority interest (11 + 12) | | 52,200,604 | 138,320,705 |
| 14 Share of profit / (loss) attributable to Minority interest | | (15,339) | - |
| 15 Profit for the year attributable to shareholders of the Company (13-14) | | 52,215,943 | 138,320,705 |
| 16i Earnings per share (of Rs. 10/- each) | | | |
| Basic | 26.8 | 81.59 | 216.13 |
| 16ii Earnings per share (excluding extraordinary items) (of Rs. 10/- each) | | | |
| Diluted | 26.8 | 50.67 | 216.13 |
| Significant Accounting Policies | | | |
| The accompanying notes are an integral part of the Consolidated Financial Statements | | | |

In terms of our Report attached

For AJMERA AJMERA & ASSOCIATES

Chartered Accountants

FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017

For and on behalf of the Board of Directors

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | For the year ended | | For the year ended | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 31 st March, 2017 | 31 st March, 2017 | 31 st March, 2016 | 31 st March, 2016 |
| | Rs | Rs | Rs | Rs |
| A Cash flow from operating activities | | | | |
| Net Profit before extraordinary items and tax | | 51,354,408 | | 138,362,649 |
| Adjustments for: | | | | |
| Depreciation | 318,466 | | 11,003 | |
| Finance costs | 28,400,690 | | 42,018,613 | |
| Provision for Leave Salary | 339,523 | | 114,413 | |
| Reduction on restate the value of Current Investment | 10,086,929 | | - | |
| Provision for Standard assets | 779,684 | | 86,576 | |
| Interest on Income Tax | (172,096) | | (10,592) | |
| Dividend income | (42,522,957) | | (97,864,243) | |
| Sundry Balance written off | 5,000,001 | | - | |
| Long term capital Loss on Urban Infrastructure Opportunities Fund | 3,701,289 | | - | |
| Gain on sale of investments (net) | (84,507,617) | (78,576,088) | (131,423,696) | (187,067,926) |
| Operating profit / (loss) before working capital changes | | (27,221,680) | | (48,705,277) |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Inventories | 146,215,822 | | (84,562,981) | |
| Trade receivables | 35,241,831 | | (56,528,250) | |
| Short-term loans and advances | (75,380,768) | | (39,585,275) | |
| Long-term loans and advances | 43,850 | | (9,214) | |
| Other current assets | 3,626,420 | | (1,863,064) | |
| Adjustments for increase / (decrease) in operating liabilities: | | | | |
| Short-term Borrowings | (342,282,033) | | 98,182,033 | |
| Trade payables | 77,305,016 | | - | |
| Other current liabilities | (43,916,079) | | (9,743,117) | |
| Long-term provisions | 774,392 | | (392,952) | |
| Short-term provisions | - | (198,371,549) | - | (94,502,820) |
| | | (225,593,229) | | (143,208,097) |
| Cash flow from extraordinary items | | - | | - |
| Cash generated from operations | | (225,593,229) | | (143,208,097) |
| Net income tax paid | | (369,793) | | (11,808,740) |

| | | | | |
|--|--|---------------------|-------------|---------------------|
| Net cash flow from / (used in) operating activities (A) | | (225,963,022) | | (155,016,837) |
| B Cash flow from investing activities | | | | |
| Capital expenditure on fixed assets, including capital advances | | - | | - |
| Purchase & Sale of long-term investments | | | | |
| Purchased | | (4,797,582,835) | | (3,053,774,872) |
| Proceeds from sale | | 5,023,905,141 | | 3,153,651,860 |
| Dividend received | | | | |
| Others | | 42,522,957 | 268,845,264 | 97,864,243 |
| Cash flow from extraordinary items | | | - | - |
| Net cash flow from / (used in) investing activities (B) | | 268,845,264 | | 197,741,231 |
| C Cash flow from financing activities | | | | |
| Finance cost | | (28,137,661) | | (42,018,613) |
| Net cash flow from / (used in) financing activities (C) | | (28,137,661) | | (42,018,613) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | | 14,744,581 | | 705,781 |
| Cash and cash equivalents at the beginning of the year | | 863,259 | | 157,478 |
| Cash and Cash Equivalents received on Amalgamation (refer note 2.17) | | 243,360 | | - |
| Cash and cash equivalents at the beginning of the year on account of consolidation | | 45,003 | | - |
| Cash and cash equivalents at the end of the year * | | 15,896,203 | | 863,259 |
| * Comprises: | | | | |
| (a) Cash on hand | | 257,420 | | 12,566 |
| (b) Balances with banks | | | | |
| (i) In current accounts | | 15,638,783 | | 850,693 |
| | | 15,896,203 | | 863,259 |

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our Report attached
For AJMERA AJMERA & ASSOCIATES
Chartered Accountants
FRN 123989W

Sd/-
Sandeep Ajmera
Partner
Membership No. 48277

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors
Sd/-
Harisingh Shyamsukha
Director
DIN : 00033325

Sd/-
Vaishali Rajesh Dhuri
Chief Financial Officer

Place : Mumbai
Date : 29th May, 2017

Sd/-
Anil Kumar Rajan
Director
DIN : 00054704

Sd/-
Ekta Kumari
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

1 Basis of consolidation :

The Consolidated Financial Statements relate to Saraswati Commercial (India) Limited (the Company), its Subsidiaries and its Associate (The Group). The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 “Consolidated Financial Statements” (AS 21) and Accounting Standard 23 “Accounting for Investments in Associates in Consolidated Financial Statements” (AS 23) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 1.1** The financial statements of the following subsidiaries have been consolidated as per Accounting standard 21 on “Consolidated Financial Statements” as specified under Section 133 of the 2013 Act

| Name of Subsidiary Company | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|--|---|---|
| | Extent of holding (%) | Extent of holding (%) |
| 1. Sareshwar Trading and Finance Private Limited | 60.77% | - |
| 2. Arkaya Commercial Private Limited | 61.83% | - |

All the subsidiaries mentioned above are incorporated in India.

- 1.2** The following associate, investment in which is accounted using equity method ‘as per Accounting standard 23 on “Accounting for Investments in Associates in ‘Consolidated Financial Statements” as notified by the Companies (Accounting Standards) Rules, 2006:

| Name of Associate Company | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|--|---|---|
| | Extent of holding (%) | Extent of holding (%) |
| 1. Arcies Laboratories Limited | 31.03% | 31.03% |
| 2. Sareshwar Trading and Finance Private Limited | - | 47.80% |

1.3 Principles of consolidation:

The Financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 on ‘Consolidated Financial Statements’ as specified under Section 133 of the 2013 Act.

The financial statements of the associates entities have been consolidated by taking share in profit /(loss) as per Accounting Standard 23 on Accounting for Investments in Associates in ‘Consolidated Financial Statements’ as notified by the Companies (Accounting Standards) Rules, 2006 using the “Equity” method. The gains / losses in respect of part dilution of stake in Associate Companies pursuant to issue of additional shares are adjusted in Share of Accumulated profit / (loss) of associates under the head Reserves and Surplus in the consolidated balance Sheet.

2. Significant Accounting Policies:

2.1 Basis of accounting:

The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention. ‘The Consolidated Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act, 1956 (“the 1956 Act”), as applicable. The Company follows the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.2 Use of estimates

The preparation of the Consolidated Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Consolidated Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Stocks of shares are valued at Lower of cost or Net Realisable Value.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

2.7 Revenue recognition

Terms of income and expenditure are recognized on accrual basis except in case of non-performing assets, where it is recognized upon realization, as per RBI guidelines.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated Depreciation.

2.10 Investments

Investments are classified into Current and Non-current Investments. Current Investments are stated at lower of cost and fair value. Non-current Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Non-current Investments. When disposing of a part of the holding of an individual investment, the carrying amount to be allocated to that part is determined on the basis of the First in First Out Method amount of the total holding of the investment.

2.11 Employee benefits

As number of employees working in company are less than ten, provision for gratuity as per Accounting Standard 15 issued by Institute of Chartered Accountants of India does not apply to the company.

The company has made provision for Leave Salary on the actual balance leaves of the employees for the year FY 2016-2017, calculated at the basic monthly salary and HRA of the employees for the FY 2017-18.

2.12 Segment reporting

As the company's business activity falls within single segment viz. NBFC Activities the disclosure requirements of Accounting Standard 17 "Segment Reporting" issued by Institute of Chartered Accountants of India is not applicable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.13 Earnings per share

Basic and Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.14 Taxes on income

- i. Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the provisions of the Income-Tax Act 1961.
- ii. Deferred tax for timing differences between tax profits and book profits is accounted by using the tax rates and laws that have been enacted or substantial enacted as of the balance sheet date. Deferred tax assets in respect of unabsorbed losses are recognised to the extent there is reasonable certainty that these assets can be realised in future.

2.15 Future / Option Contracts

Equity/Index futures are marked-to-market on a daily basis. Mark to Market Gains / (losses) are recognized as per the Guidance Note on “accounting for Derivative Contracts (2015)” issued by The Institute of Chartered Accountants of India.

2.16 Provisions and contingencies

These are disclosed by way of notes on the Balance sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialise into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in the consolidated balance sheet.

2.17 Amalgamation of Aroni Commercials Limited

Pursuant to Scheme of Amalgamation (“the Scheme”) of Aroni Commercials Limited (ACL) (Transferor Company) with Saraswati Commercial (India) Limited (Transferee Company) sanctioned by the Hon’ble National Company Law Tribunal (NCLT) on 16th March, 2017, all the assets and liabilities of the transferor company are transferred, in the books of transferee company, at the value appearing in the books of account of ACL as on appointed date i.e 1st April, 2015.

The amalgamation has been accounted under “Pooling of Interest” method as prescribed by AS -14 “Accounting for Amalgamation” Accordingly following accounting treatment has been given as under: -

- (i) The assets, liabilities, reserves and balance of profit & loss accounts of the Transferor company as on appointed date have been incorporated at their book value in the financial statement of the Transferee company.
- (ii) All the paid share capital of the transferor company as on 31st March, 2017 stands cancelled & the shareholders of Transferor company will be issued shares of Transferee company as per exchange ratio specified in the scheme approved by Hon’ble NCLT. The details of the same is as under:

| Transferor Company | Aroni Commercials Limited |
|---|--|
| Nature of Business | Sub Broker & Investment in Shares/Bonds |
| Details of Paid up Share Capital prior to Amalgamation | |
| No of shares | 4,125,000 |
| Face value per Share | 10 |
| Total Paid up Capital | 41,250,000 |
| Exchange Ratio | 1:9 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Details of Shares of Transferee Company that are issued as per Amalgamation Order | |
|---|-----------|
| No of Shares Issued | 390,593 |
| Face value per Share | 10 |
| Total Share Capital issued | 3,905,930 |
| Shares Pending to be allotted (Nos.) | 390,593 |

- (iii) Total 390,593 shares of Transferee company (FV Rs. 10) are issued to the shareholders of Transferor companies on 29th May, 2017 & the said capital of Rs. 3,905,930 has been shown as “Shares pending allotment “ in the Balance sheet.
- (iv) Difference between Share Capital of Transferor Company and Equity Share Capital issued by the Transferee Company to the shareholders of Transferor Company has been disclosed as “Capital Reserve” of the Transferee company after cancellation of cross holding investment.

Note 3 - Shareholder's Funds - Share Capital

| Particulars | As at 31 st March, 2017 | | As at 31 st March 2016 | |
|--|------------------------------------|------------------|-----------------------------------|------------------|
| | Number | Rs | Number | Rs |
| Authorised | | | | |
| Equity Shares of Rs. 10 each | 8,250,000 | 82,500,000 | 750,000 | 7,500,000 |
| Issued,Subscribed & Paid up | | | | |
| Equity Shares of Rs. 10 each | 640,000 | 6,400,000 | 640,000 | 6,400,000 |
| Of the above 4,00,000 Shares were allotted pursuant to the Scheme of Amalgamation, without payment being received in cash. | | | | |
| Total | 640,000 | 6,400,000 | 640,000 | 6,400,000 |

Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.

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

| Particulars | Equity Shares | | Equity Shares | |
|---|---------------|-----------|---------------|-----------|
| | Number | Rs | Number | Rs |
| Shares outstanding at the beginning of the year | 640,000 | 6,400,000 | 640,000 | 6,400,000 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 640,000 | 6,400,000 | 640,000 | 6,400,000 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
More than 5% Shareholding

| Name of Shareholder | As at 31 st March, 2017 | | As at 31 st March 2016 | |
|--|------------------------------------|--------------|-----------------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Winro Commercial (India) Ltd | 104,970 | 16.40% | 104,970 | 16.40% |
| Four Dimensions Securities (India) Ltd | 33,900 | 5.30% | 33,900 | 5.30% |
| Ashwin Pannalal Kothari | 64,500 | 10.08% | 64,500 | 10.08% |
| Rohit Kothari | 44,630 | 6.97% | 44,630 | 6.97% |
| Ashwin Kumar Kothari (HUF) | 63,000 | 9.84% | 63,000 | 9.84% |
| Ashwin Kumar Kothari (smaller) (HUF) | 63,000 | 9.84% | 63,000 | 9.84% |
| Pannalal C Kothari (HUF) | 53,050 | 8.29% | 53,050 | 8.29% |

Note 4 Reserves and surplus

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) General reserve | | |
| Opening balance | 35,922,535 | 35,922,535 |
| Add: Transferred from surplus in Statement of Profit and Loss | - | - |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 177,575,670 | - |
| Closing balance | 213,498,205 | 35,922,535 |
| (b) Surplus in Statement of Profit and Loss | | |
| Opening balance | 247,356,942 | 137,102,167 |
| Add: Profit / (Loss) for the year | 52,215,943 | 138,320,705 |
| Less: Share in Accumulated loss of associate | - | (400,565) |
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 540,441,492 | - |
| Add: Share in accumulated loss of Minority Interest | 8,662 | - |
| Add: Share in accumulated Pre-acquisition loss | 23,004 | - |
| Less: Transfer to Reserve u/s 45IC | (10,448,095) | (27,665,365) |
| Closing balance | 829,597,948 | 247,356,942 |
| (c) Statutory Reserves | | |
| Reserves u/s. 45 IC of RBI Act | | |
| Opening balance | 61,884,133 | 34,218,768 |
| Add: Transfer from Profit & Loss Account | 10,448,095 | 27,665,365 |
| Closing balance | 72,332,228 | 61,884,133 |
| (d) Capital Reserves on Amalgamation (AS 14) | | |
| Opening balance | - | - |
| Add: Reserve created in Amalgamation (AS-14) (refer note 2.17) | 30,341,516 | - |
| Closing balance | 30,341,516 | - |
| (d) Securities Premium Account | | |
| Opening balance | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| | | |
|--|----------------------|--------------------|
| Add: Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | 4,540,000 | - |
| Closing balance | 4,540,000 | - |
| (e) Capital Reserve (AS - 21) | | - |
| Opening balance | - | - |
| Add: Capital Reserve Created in consolidation (AS 21) | 70,868 | - |
| Closing balance | 70,868 | - |
| Total | 1,150,380,765 | 345,163,610 |

Note 5 Long-term provisions

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---------------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Provision for employee benefits | | |
| Provision for Leave salary | 2,001,848 | 326,921 |
| Total | 2,001,848 | 326,921 |

Note 6 Short term borrowings

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-----------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Loan Payable on demand | | |
| Other parties | | |
| Secured (refer note 26.16) | 80,000,000 | - |
| Unsecured | - | 422,282,033 |
| Total | 80,000,000 | 422,282,033 |
| Due to Related party | - | - |

Notes:

Details of security for the secured short-term borrowings

| Particulars | Nature of security | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|-----------------------------|------------------------------------|------------------------------------|
| | | Rs | Rs |
| Loan Payable on demand | | | |
| Barclays Loan & Investment Private Limited | Secured by Pledge of Shares | 80,000,000 | - |

Note 7 Trade payables

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|-----------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| Trade payables | | |
| Other than Acceptances | 77,338,603 | - |
| Total | 77,338,603 | - |
| Due to Related party | 77,276,540 | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 8 Other current liabilities

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Interest accrued and not due on borrowings | 2,920,133 | 40,255,633 |
| (b) Other payables | | |
| (i) TDS Payable | 1,241,712 | 4,163,260 |
| (ii) Outstanding Liabilities | 2,540,101 | 286,930 |
| (iii) Mark to Market Open Position | - | 1,841,281 |
| Total | 6,701,946 | 46,547,104 |
| Due to Related party | 3,355,260 | 311,034 |

Note 9 Short-term provisions

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| Provision - Others | | |
| Contingent Provision against Standard Assets | 893,225 | 113,541 |
| Total | 893,225 | 113,541 |

The provision for standard assets is calculated as per the prudential norms applicable to Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies

Note 10 - Non Current Assets - Fixed Assets

| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | | |
|------------------------|--|---|------------------------|--|--|---|----------------------------------|--|--|---|
| | Balance as at 1 st April 2016 | Addition on account of Amalgamation (refer note 2.17) | Additions/ (Disposals) | Balance as at 31 st March, 2017 | Balance as at 1 st April 2016 | Addition on account of Amalgamation (refer note 2.17) | Depreciation charge for the year | Balance as at 31 st March, 2017 | Balance as at 31 st March, 2017 | Balance as at 31 st March 2016 |
| | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| Tangible Assets | | | | | | | | | | |
| Land | - | 58,870 | - | 58,870 | - | - | - | - | 58,870 | - |
| Motor Cycle | 61,117 | 134,409 | - | 195,526 | 29,622 | 111,778 | 11,512 | 152,912 | 42,614 | 31,495 |
| Motor Vehical | - | 9,406,644 | - | 9,406,644 | - | 8,409,278 | 306,943 | 8,716,221 | 690,423 | - |
| Telephone | - | 29,100 | - | 29,100 | - | 29,088 | 11 | 29,099 | 1 | - |
| Total | 61,117 | 9,629,023 | - | 9,690,140 | 29,622 | 8,550,144 | 318,466 | 8,898,232 | 791,908 | 31,495 |
| Previous year | 61,117 | - | - | 61,117 | 18,619 | - | 11,003 | 29,622 | 31,495 | |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 11 Non-current investments

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|-------------|-------------|-------------|------------------------------------|-----------|------------|-------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | | Rs | Rs | Rs | | Rs | Rs | Rs |
| A Trade Investments (At cost): | | | | | | | | | |
| (a) Investment in equity instruments | | | | | | | | | |
| (i) of Associates | | | | | | | | | |
| Arcies Laboratories Limited | 10/- | 2,500 | - | - | - | 2,500 | - | - | - |
| Sareshwar Trading & Finance Private Limited | 10/- | - | - | - | - | 73,700 | - | 1,255,367 | 1,255,367 |
| | | - | - | - | - | - | - | 1,255,367 | 1,255,367 |
| (ii) of Group Companies | | | | | | | | | |
| Aroni Commercials Limited | 10/- | - | - | - | - | 609,900 | 7,002,554 | - | 7,002,554 |
| Arkaya Commercial Privited Limited | 10/- | - | - | - | - | 5,000 | - | 50,000 | 50,000 |
| Four Dimensions Commodities Private Limited | 10/- | 13,000 | - | 130,000 | 130,000 | 13,000 | - | 130,000 | 130,000 |
| Four Dimensions Securities (I) Limited | 10/- | 1,889,193 | - | 123,064,220 | 123,064,220 | 1,252,260 | - | 98,523,053 | 98,523,053 |
| Geecee Business Private Limited | 10/- | 3,108 | - | 6,848,650 | 6,848,650 | - | - | - | - |
| Geecee Investments Limited | 10/- | 379,500 | - | 1,485,386 | 1,485,386 | 175,500 | - | 752,636 | 752,636 |
| Geecee Ventures Limited | 10/- | 2,537,967 | 220,581,377 | - | 220,581,377 | 291,167 | - | - | - |
| Winro Commercial (India) Limited | 10/- | 136,150 | 1,069,153 | - | 1,069,153 | 100,150 | 684,209 | - | 684,209 |
| | | | 221,650,530 | 131,528,256 | 353,178,786 | | 7,686,763 | 99,455,689 | 107,142,452 |
| B Other investments | | | | | | | | | |
| (a) Investment in equity instruments | | | | | | | | | |
| (i) of Other Entities | | | | | | | | | |
| Adani Transmission Limited | 10/- | 840,000 | 24,567,067 | - | 24,567,067 | - | - | - | - |
| Antique Finance Private Limited | 10/- | 1,931,000 | - | 56,771,400 | 56,771,400 | 1,931,000 | - | 56,771,400 | 56,771,400 |
| Ashapura Minechem Limited | 2/- | 135,000 | 8,685,165 | - | 8,685,165 | - | - | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|------------|----------|------------|------------------------------------|------------|----------|------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | | Rs | Rs | Rs | | Rs | Rs | Rs |
| Ashoka Buildcon Limited | 5/- | 33,000 | 5,221,853 | - | 5,221,853 | - | - | - | - |
| Automotive Axle Limited | 10/- | - | - | - | - | 15,000 | 5,356,111 | - | 5,356,111 |
| Balaji Telefilms Limited | 2/- | 70,000 | 6,608,840 | - | 6,608,840 | - | - | - | - |
| Balkrishna Industries Limited | 2/- | 2,359 | 1,851,651 | - | 1,851,651 | - | - | - | - |
| Bharat Gears Limited | 10/- | 300 | - | - | - | 300 | - | - | - |
| Cairn India Limited | 10/- | 294,000 | 88,577,071 | - | 88,577,071 | - | - | - | - |
| CCL Products (India) Limited | 2/- | 1 | 54 | - | 54 | - | - | - | - |
| City Union Bank Limited | 1/- | 300,062 | 13,321,784 | - | 13,321,784 | 62 | 3,085 | - | 3,085 |
| Claris Lifesciences Limited | 10/- | 21,200 | 6,688,353 | - | 6,688,353 | - | - | - | - |
| Cox And Kings Limited | 5/- | 100,000 | 17,696,387 | - | 17,696,387 | - | - | - | - |
| Dalmia Bharat Limited | 2/- | 23,250 | 18,833,351 | - | 18,833,351 | - | - | - | - |
| DCB Bank Limited | 10/- | 1 | 26 | - | 26 | - | - | - | - |
| DCW Limited | 10/- | 230,000 | 7,199,418 | - | 7,199,418 | - | - | - | - |
| Diamond Power Infrastructure Ltd | 2/- | 233,000 | 9,187,229 | - | 9,187,229 | - | - | - | - |
| Divi's Laboratories Limited | 2/- | - | - | - | - | 2,000 | - | - | - |
| ECE Industries Limited | 10/- | - | - | - | - | 114,000 | 16,918,199 | - | 16,918,199 |
| Ess Dee Aluminium Limited | 10/- | 1 | 489 | - | 489 | - | - | - | - |
| Future Enterprises Limited | 2/- | 10,000 | 172,600 | - | 172,600 | - | - | - | - |
| Gujarat Narmada Velly Fert. & Chem. Limited | 10/- | 37 | 1,591 | - | 1,591 | 37 | 1,591 | - | 1,591 |
| HDFC Bank Limited | 2/- | 1,000 | 1,254,788 | - | 1,254,788 | - | - | - | - |
| Housing Development Finance Corporation Limited | 2/- | 9,000 | 9,454,575 | - | 9,454,575 | 9,000 | 9,454,575 | - | 9,454,575 |
| ICICI Bank Limited | 2/- | 6 | 1,834 | - | 1,834 | - | - | - | - |
| Indian Terrain Fashions Limited | 2/- | 9,500 | 1,391,303 | - | 1,391,303 | - | - | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|--------------------------------------|------------|------------------------------------|------------|----------|------------|------------------------------------|------------|----------|------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| Insecticides (India) Limited | 10/- | 45,200 | 18,529,955 | - | 18,529,955 | - | - | - | - |
| JBF Industries Limited | 10/- | 313,000 | 69,749,387 | - | 69,749,387 | - | - | - | - |
| JMC Projects (India) Limited | 10/- | 1 | 223 | - | 223 | - | - | - | - |
| Larsen And Toubro Limited | 2/- | 1 | 1,290 | - | 1,290 | - | - | - | - |
| L.G. Balakrishnan & Brothers Limited | 10/- | 400 | - | - | - | 400 | - | - | - |
| LGB Forge Limited | 10/- | 2,000 | - | - | - | 2,000 | - | - | - |
| LIC Housing Finance Limited | 2/- | 13,000 | 6,423,291 | - | 6,423,291 | - | - | - | - |
| Mindtree Limited | 10/- | 10,000 | 4,500,118 | - | 4,500,118 | - | - | - | - |
| MRF Limited | 10/- | 465 | 16,296,595 | - | 16,296,595 | - | - | - | - |
| Music Broadcast Limited | 10/- | 3,854 | 1,283,382 | - | 1,283,382 | - | - | - | - |
| Muthoot Capital Services Limited | 10/- | 15,756 | 4,257,687 | - | 4,257,687 | - | - | - | - |
| Muthoot Finance Limited | 10/- | 100,000 | 29,204,435 | - | 29,204,435 | - | - | - | - |
| Nava Bharat Ventures Limited | 2/- | 100,000 | 12,082,847 | - | 12,082,847 | - | - | - | - |
| Ocl India Limited | 2/- | 25,000 | 19,584,019 | - | 19,584,019 | - | - | - | - |
| Raymond Limited | 10/- | 10,000 | 6,528,566 | - | 6,528,566 | - | - | - | - |
| Reliance Industries Limited | 10/- | 1 | 981 | - | 981 | - | - | - | - |
| RepcO Home Finance Limited | 10/- | 20,000 | 10,323,058 | - | 10,323,058 | - | - | - | - |
| Royal Orchid Hotels Limited | 10/- | 63,000 | 5,307,308 | - | 5,307,308 | - | - | - | - |
| Sanofi India Limited | 10/- | 13,000 | 43,279,154 | - | 43,279,154 | 13,000 | 43,279,154 | - | 43,279,154 |
| Saurashtra Cement Limited | 10/- | 73,356 | 4,085,117 | - | 4,085,117 | - | - | - | - |
| Shree Ganesh Forgings Limited | 10/- | 1 | 30 | - | 30 | - | - | - | - |
| Shriram City Union Finance Limited | 10/- | - | - | - | - | 9,000 | 11,518,966 | - | 11,518,966 |
| Sicagen India Limited | 10/- | 1 | - | - | - | - | - | - | - |
| Sical Logistics Limited | 10/- | 1 | 151 | - | 151 | - | - | - | - |
| Siemens Limited | 2/- | 10 | 1,130 | - | 1,130 | - | - | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|---|------------|------------------------------------|----------------------|--------------------|----------------------|------------------------------------|--------------------|--------------------|--------------------|
| | | No of Shares | Quoted | Unquoted | Total | No of Shares | Quoted | Unquoted | Total |
| | | | Rs | Rs | Rs | | Rs | Rs | Rs |
| Sun Pharmaceutical Industries Limited | 1/- | 14,956 | 11,765,149 | - | 11,765,149 | - | - | - | - |
| Tata Motors Limited | 2/- | 1 | 446 | - | 446 | - | - | - | - |
| Tech Mahindra Limited | 5/- | - | - | - | - | 15,000 | Bonus | - | Bonus |
| Teracom Limited | 10/- | 81,500 | - | 887,535 | 887,535 | - | - | - | - |
| Thanga Mayil Jewellery Limited | 10/- | 79,000 | 10,583,429 | - | 10,583,429 | - | - | - | - |
| Trident Limited | 10/- | 500,000 | 30,117,740 | - | 30,117,740 | - | - | - | - |
| United Spirits Limited | 10/- | 1 | 69 | - | 69 | - | - | - | - |
| UPL Limited | 2/- | 2 | 108 | - | 108 | - | - | - | - |
| Vikas Ecotech Limited | 1/- | 1,000 | 13,460 | - | 13,460 | - | - | - | - |
| VRIL Logistics Limited | 10/- | 10 | 2,681 | - | 2,681 | - | - | - | - |
| Welspun Corp Limited | 5/- | 129,000 | 10,966,045 | - | 10,966,045 | - | - | - | - |
| Total - Other investments (B) | | | 535,603,279 | 57,658,935 | 593,262,214 | | 86,531,681 | 56,771,400 | 143,303,081 |
| C Investment in Mutual Funds | | | | | | | | | |
| HDFC Liquid Fund - Growth | | 914.673 | - | 1,766,709 | 1,766,709 | - | - | - | - |
| Total - Other investments (C) | | | | 1,766,709 | 1,766,709 | | | | |
| Total (A+B+C) | | | 757,253,809 | 190,953,900 | 948,207,709 | | 94,218,444 | 157,482,456 | 251,700,900 |
| Aggregate amount of quoted investments | | | 757,253,809 | - | 757,253,809 | | 94,218,444 | - | 94,218,444 |
| Aggregate market value of listed and quoted investments | | | 1,096,066,991 | - | 1,096,066,991 | | 223,914,876 | - | 223,914,876 |
| Aggregate amount of unquoted investments | | | | 190,953,900 | 190,953,900 | | - | 157,482,456 | 157,482,456 |

Note 12 Deferred Tax Assets

| Particulars | Deferred Tax Asset/ (Liabilities) | Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | Charge/(Credit) during the period | Deferred Tax Asset/ (Liabilities) |
|-------------------------------|------------------------------------|---|-----------------------------------|------------------------------------|
| | As at 31 st March, 2016 | Rs | Rs | As at 31 st March, 2017 |
| | | Rs | Rs | Rs |
| Depreciation | 3,091 | 695,927 | (56,315) | 642,703 |
| Business Loss | 6,636,965 | 967,391 | 14,105,667 | 21,710,023 |
| Speculation Loss | 53,831 | 48,242 | (48,247) | 53,826 |
| Provision for standard assets | 37,540 | - | 257,787 | 295,327 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | Deferred Tax Assest/ (Liabilities) As at 31 st March, 2016 | Transferred from Aroni Commercials Limited pursuant to the Scheme of Amalgamation (refer note 2.17) | Charge/(Credit) during the period | Deferred Tax Assest/ (Liabilities) As at 31 st March, 2017 |
|----------------------------|---|---|---|---|
| | Rs | Rs | Rs | Rs |
| Provision for Leave Salary | 108,090 | - | 553,781 | 661,871 |
| Short term loss | - | 8,475,746 | (8,475,746) | - |
| Long term loss | - | - | 818,071 | 818,071 |
| Amalgamation Expenses | 160,893 | - | (32,179) | 128,714 |
| Mark to Market Loss | 262,703 | - | 478,439 | 741,142 |
| Mark to Market Profit | - | - | (276,061) | (276,061) |
| Stock valuation | 2,345,956 | - | (2,227,364) | 118,592 |
| Total | 9,609,069 | 10,187,306 | 5,097,833 | 24,894,208 |

Note 13 Long-term loans and advances

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Security Deposits | | |
| Unsecured, Considered good | 10,106,219 | - |
| (b) Prepaid Expenses - Unsecured, considered good | 8,407 | 11,214 |
| Total | 10,114,626 | 11,214 |

Note 14 Other Non-current assets

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|------------------------|------------------------------------|------------------------------------|
| | Rs | Rs |
| MAT Credit Entitlement | 195 | - |
| Total | 195 | - |

Note 15 Current investments

| Particulars | Face Value | As at 31 st March, 2017 | | | | As at 31 st March, 2016 | | | |
|--|------------|------------------------------------|--------|------------|------------|------------------------------------|-------------|-------------|-------|
| | | No of Units | Quoted | Unquoted | Total | No of Units | Quoted | Unquoted | Total |
| | | | | | | | | | |
| A Other investments | | | | | | | | | |
| Investment in Venture Capital Funds | | | | | | | | | |
| Commercial Paper HDFC 17/05/2016 | - | - | - | - | 200 | - | 97,922,700 | 97,922,700 | |
| | (500,000) | | | | | | | | |
| Commercial Paper HDFC 11/04/2016 | - | - | - | - | 318 | - | 156,207,483 | 156,207,483 | |
| | (500,000) | | | | | | | | |
| B Investment in Commercial Paper | | | | | | | | | |
| Urban Infrastructure Opportunities Fund | 62,430 | 540 | - | 21,862,980 | 21,862,980 | | | | |
| | (79,930) | | | | | | | | |
| Kshitij Venture Capital Fund | 337.50 | 10,000 | | 2,694,700 | 2,694,700 | | | | |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | Face Value | As at 31 st March, 2017 | | | As at 31 st March, 2016 | | | | |
|---|------------|------------------------------------|------------|------------|------------------------------------|-------------|-------------|-------------|-------|
| | | No of Units | Quoted | Unquoted | Total | No of Units | Quoted | Unquoted | Total |
| | Rs | | Rs | Rs | Rs | | Rs | Rs | Rs |
| | (337.50) | | | | | | | | |
| Total | | - | 24,557,680 | 24,557,680 | | - | 254,130,183 | 254,130,183 | |
| Aggregate amount of quoted investments | | - | - | - | | - | - | - | |
| Aggregate market value of listed and quoted investments | | - | - | - | | - | - | - | |
| Aggregate amount of unquoted investments | | - | 24,557,680 | 24,557,680 | | - | 254,130,183 | 254,130,183 | |

Note 16 Inventories

(at cost or net realisable value whichever is low)

| Particulars | As at 31 st March, 2017 | | As at 31 st March, 2016 | |
|---|------------------------------------|-----------|------------------------------------|------------|
| | Nos | Rs | Nos | Rs |
| (A) Quoted Shares | | | | |
| A2Z Infra Engineering Limited | - | - | 1,480,000 | 29,452,000 |
| Adani Transmission Limited | - | - | 1,000,000 | 28,283,993 |
| AIA Engineering Limited | - | - | 1 | 675 |
| Aditya Birla Chemicals (India) Limited | - | - | - | - |
| Aditya Birla Fashion & Retail Limited | 40,000 | 6,154,000 | - | - |
| Consolidated Fibers & Chem Limited | 50 | 80 | 50 | 80 |
| Coal India Limited | - | - | 35,000 | 10,218,250 |
| Coromandel International Limited | - | - | 115,937 | 22,062,811 |
| Diamond Power Infrastructure Limited | 1,000 | 34,600 | 1,000 | 24,900 |
| Essel Propack Limited | - | - | - | - |
| Federal- Mougall Goetze (India) Limited | - | - | 5,000 | 1,620,500 |
| Future Lifestyle Fashions Limited | - | - | - | - |
| Hero Motocorp Limited | - | - | - | - |
| IDFC Limited | - | - | 100,000 | 4,820,000 |
| Indian Terrain Fashions Limited | - | - | 56,313 | 7,451,285 |
| JMC Project Limited | 1 | 266 | 1 | 219 |
| Kridhan Infra Limited | 1 | 51 | 1 | 87 |
| Lancor Holdings Limited | - | - | 19,999 | 532,973 |
| Lupin Limited | - | - | - | - |
| Meghmani Organics Limited | - | - | 91,026 | 1,820,424 |
| Orient Refractories Limited | - | - | - | - |
| PNC Infratech Limited | - | - | 1,000 | 465,868 |
| Rattan Indian Infrastructure Limited | 1,565,000 | 5,176,385 | 565,022 | 1,364,582 |
| Royal Orchid Hotels Limited | - | - | 5,000 | 314,781 |
| Sanofi India Limited | - | - | - | - |
| Shalimar Paints Limited | - | - | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | As at 31 st March, 2017 | | As at 31 st March, 2016 | |
|---|------------------------------------|-------------------|------------------------------------|--------------------|
| | Nos | Rs | Nos | Rs |
| Sical Logistics Limited | - | - | 70,000 | 9,201,500 |
| Total - A | 1,606,052 | 11,365,381 | 3,545,350 | 117,634,929 |
| B Debenture | | | | |
| 8.80% HBD Financial Service Ltd.NCD (Series A/1/24) 17/05/2016 | - | - | 50 | 49,932,650 |
| Total - B | - | - | 50 | 49,932,650 |
| C UnQuoted Shares/ Mutual Funds | | | | |
| Auroplast India Limited | 5,000 | 5,000 | 2,500 | 25,000 |
| Allied Resins Chem Limited | 2,500 | 25,000 | 5,000 | 5,000 |
| East Aggle Plastic Limited | 660 | 1,320 | 660 | 1,320 |
| J M Balanced Fund | - | - | 1,627,844 | 18,297,618 |
| Meeraj Multiweb Inds.Limited | 24,000 | 240,000 | 24,000 | 240,000 |
| Total - C | 32,160 | 271,320 | 1,660,004 | 18,568,938 |
| Total- A+B+C | 1,638,212 | 11,636,701 | 5,205,404 | 186,136,516 |
| Aggregate market value of Quoted financial securities | | 12,563,816 | | 193,231,927 |

Note 17 Trade receivables

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Unsecured, considered good | | |
| Other trade receivables | | |
| Unsecured, considered good | 26,742,245 | 61,984,076 |
| Total | 26,742,245 | 61,984,076 |
| Due from Reputed parties | - | 416,625 |

Note 18 Cash and Bank balance

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| Cash and cash equivalents (As per AS 3 Cash Flow Statements) | | |
| (a) Cash on hand | 257,420 | 12,566 |
| (b) Balances with banks | | |
| (i) In current accounts | 15,638,783 | 850,693 |
| | 15,896,203 | 863,259 |
| Other Bank Balance | | |
| (i) In Fixed Deposit | 375,614 | - |
| Total | 16,271,817 | 863,259 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
Note 19 Short-term loans and advances

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Loans and advances to employees | | |
| Unsecured, considered good | 282,000 | - |
| (b) Inter-corporate deposits | | |
| Unsecured, considered good | 239,000,000 | 40,000,000 |
| (c) Others | | |
| Unsecured, considered good | 4,750,000 | 4,750,000 |
| (d) Prepaid expenses - Unsecured, considered good | 80,970 | 32,507 |
| (e) Balances with government authorities- Unsecured, considered good | | |
| Advance Tax (Net of Provision of) (Current Year Rs. 33,678,396) (Previous Year Rs. 24,900,000) | 9,323,807 | 3,592,821 |
| Total | 253,436,777 | 48,375,328 |
| Due from Repated parties | 169,000,000 | 1,570 |

Note 20 Other current assets

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|--|------------------------------------|------------------------------------|
| | Rs | Rs |
| (a) Accruals | | |
| (i) Interest accrued on loans | 11,456,738 | 666,312 |
| (ii) Interest accrued on investments/bonds | - | 7,270,815 |
| (b) Others | | |
| (i) Advance against expenses | 2,000 | 1,000 |
| (ii) Other receivable | 600,000 | 53,042 |
| Total | 12,058,738 | 7,991,169 |
| Due from Repated parties | 10,427,927 | 150,501 |

Note 21 Revenue from operations

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| Profit on Trading in Securities & Mutual funds (net) (refer note (a) below) | 32,322,421 | (52,694,249) |
| Other operating revenues (refer note (b) below) | 32,066,934 | 145,128,531 |
| Total | 64,389,355 | 92,434,282 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Note | Particulars | For the year ended | For the year ended |
|---|-------------|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| (a) Profit on Trading in Securities & Mutual funds comprises | | | |
| Traded goods | | | |
| Sale of shares and mutual funds | | 275,811,545 | 683,364,692 |
| Less: Purchases of shares & mutual funds | | 94,753,081 | 818,922,340 |
| Less: Changes in inventories (refer note (i) below) | | 146,215,822 | (84,562,981) |
| Less: Security Transaction Charges | | 2,520,221 | 1,699,582 |
| Total | | 32,322,421 | (52,694,249) |
| (i) Inventories at the end of the year: | | | |
| Stock-in-trade | | 11,636,701 | 186,136,516 |
| | | 11,636,701 | 186,136,516 |
| Inventories at the beginning of the year: | | | |
| Stock-in-trade | | 186,136,516 | 137,426,589 |
| Less : Transfer to Investments | | (28,283,993) | (35,853,054) |
| | | 157,852,523 | 101,573,535 |
| Net (increase) / decrease | | 146,215,822 | (84,562,981) |
| (b) Other operating revenues comprise | | | |
| (i) Interest income | | | |
| Interest on loan | | 22,022,590 | 6,589,410 |
| Interest income from investments/bonds | | 4,547,636 | 3,855,331 |
| (ii) Profit on sale of investment | | 70,719,399 | 131,423,696 |
| (iii) Profit / (Loss) on futures & options segment | | (65,229,947) | 2,981,206 |
| (iv) Income from speculation in equity shares - cash segment | | 2,456 | 278,888 |
| (v) Brokerage Received | | 4,800 | - |
| Total - Other operating revenues | | 32,066,934 | 145,128,531 |
| Income from Related Party | | 15,039,301 | 167,219 |

Note 22 Other income

| Particulars | For the year ended | For the year ended |
|--|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| | Rs | Rs |
| Interest income | | |
| Interest income (refer note (i) below) | 597,656 | 533,915 |
| Dividend income | | |
| from others | 42,522,957 | 97,864,243 |
| Total | 43,120,613 | 98,398,158 |
| Income from Related Party | - | 873,501 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Note | Particulars | For the year ended | For the year ended |
|------|-----------------------------------|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs | Rs |
| (i) | Interest income comprises | | |
| | (a) Interest on fixed deposits | 425,560 | 523,323 |
| | (b) Interest on income tax refund | 172,096 | 10,592 |
| | Total | 597,656 | 533,915 |

Note 23 Employee benefits expense

| Particulars | For the year ended | For the year ended |
|-----------------------------------|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| | Rs | Rs |
| Salaries and wages | 14,789,538 | 7,340,877 |
| Staff welfare expenses | 105,807 | 77,938 |
| Total | 14,895,345 | 7,418,815 |
| Payment to Related Parties | 7,595,341 | 1,723,804 |

Note 24 Finance costs

| Particulars | For the year ended | For the year ended |
|-----------------------------------|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| | Rs | Rs |
| Interest on borrowings | 28,137,661 | 42,018,613 |
| Interest on Income Tax | 263,029 | - |
| Total | 28,400,690 | 42,018,613 |
| Payment to Related Parties | 3,129,102 | 267,816 |

Note 25 Other expenses

| Particulars | For the year ended | For the year ended |
|---|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| | Rs | Rs |
| Rates and taxes, excluding taxes on income | 7,000 | 2,000 |
| Legal and professional fees | 1,654,221 | 1,728,894 |
| Payments to auditors (refer note (i) below) | 140,274 | 75,044 |
| Corporate Social Responsibility Expenses (refer note 26.13) | 2,700,000 | 600,000 |
| Provision for Standard Asset | 779,684 | 86,576 |
| Sundry balance written off | 5,000,001 | - |
| Miscellaneous expenses | 2,259,879 | 528,846 |
| Total | 12,541,059 | 3,021,360 |
| Payment to Related Parties | 83,141 | 12,000 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note (i)

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| (i) Payments to the auditors comprises | | |
| As auditors - statutory audit | 64,750 | 40,000 |
| Tax Audit fees | 15,000 | 15,656 |
| for other services | 43,000 | 10,350 |
| Service Tax | 17,524 | 9,038 |
| Total | 140,274 | 75,044 |

Note 26 Additional information to the financial statements

26.1 Contingent liabilities and commitments (to the extent not provided for)

Contingent Liabilities :

- (i) Contingent liabilities not provided for uncalled liability on
 - a) Partly paid up preference shares of Arkaya Commercial Private Limited amounting to Rs. 18,750/-
- (ii) Demand of Rs. 80,22,602/- for AY 1996-97 is pending under Madhya Pradesh Sales Tax Act against which appeals had been filed with Deputy Commissioner of Commercial Tax. The Deputy Commissioner of Commercial tax has redirected case to Assessing Officer for reassessment. The reassessment proceedings has not yet initiated.
- (iii) During F.Y. 2004-05, Company has kept Rs. 100.70 Lacs in Escrow account with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminum Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited under Ssection 391 to Section 394 of the Companies Act, 1956. On 10th October, 2012 The Hon'ble High Court of Indore (Single Judge) has given decision in favour of the Company. Revenue had filed an writ appeal against the said order with Hon'ble The High Court of M.P., Indore. (Double Judge), wherein order dated 26th September, 2014 states that the appeal be listed for final hearing in due course.
- (iv) NEPC India Limited had instituted a suit against the company in the court of II FAST TRACK JUDGE Madras for deferment of payment to the NEPC India Limited the sum of Rs. 20,47,156/- together with interest at 24% p.a on Rs. 10,53,450/-. Vide order dated 13th February, 2012, court has given decision in favour of NEPC India limited. In the result the suit is decreed in favour of NEPC India Limited for Rs. 10,53,450/- with interest at the rate of 12% p.a. from august 98 till realisation with costs. Company has filed an appeal with the Hon'ble High court of Madras against the said order.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (v) As per Income Tax Department following tax demand is outstanding against the company & it has not been provided in the accounts.

| Assessment Year | Demand u/s | Short Provision Rs. | Amount paid under Protest / Refund Adjusted Rs | Status of Appeal |
|-----------------|------------|---------------------|--|--|
| 2005-06 | u/s 250 | 146,381 | 146,381 | Letter for rectification against order giving effect of CIT (Appeal's) order has been filed on 18 th April, 2012. |
| 2006-07 | u/s 250 | 447,740 | 447,740 | Order Giving Effect to ITAT order pending. |
| 2009-10 | u/s 143(3) | 156,807 | 156,807 | Letter for rectification against order u/s 154 wrt 143(3) dated 29 th February, 2012 has been filed. |
| 2010-11 | u/s 143(1) | 385,884 | 385,884 | Rectification of oder u/s 154 is pending. |
| 2010-11 | u/s 143(3) | 72,107 | - | CIT (Appeal's) order giving effect is pending. |
| 2012-13 | u/s 143(3) | 290,483 | 218,052 | Letter for rectification has been filed against order 143(3) dated 10 th February, 2015 order pending. |
| 2014-15 | u/s 143(3) | 86,300 | - | Letter for rectification has been filed against order 143(3) dated 17 th November, 2016 |

26.2 Details of Open interest in Equity stock Futures Contracts as on 31st March, 2017

| Name of Equity Stock Future | | | No. of Contracts | Units - Long | Units - Short |
|-----------------------------|---------|-------------|------------------|--------------|---------------|
| Scrip | FUT/OPT | EXPIRY | | | |
| CENTURYTEX | FUT | 27-APR-2017 | 550 | 42,900 | - |
| DHFL | FUT | 27-APR-2017 | 1,500 | - | 102,000 |
| HINDPETRO | FUT | 27-APR-2017 | 1,050 | 27,300 | - |
| NIFTY | FUT | 27-APR-2017 | 75 | 20,100 | - |
| VEDL | FUT | 27-APR-2017 | 3,500 | 245,000 | - |
| ADANIPOWER | OPT | 27-APR-2017 | 20,000 | - | 1,000,000 |

26.3 Income and Expenditure in foreign country

| Particulars | 2016-2017 | 2015-2016 |
|---------------------------------|-----------|-----------|
| | Rs | Rs |
| Expenditure in foreign currency | NIL | NIL |
| Earnings in foreign exchange | NIL | NIL |

- 26.4 Trade Receivable, Loans and Advances and Unsecured Loans are subject to confirmation.

26.5 Employee Benefit Plans

- A) As number of employees working in company are less than Ten, Gratuity provisions as per Accounting Standard 15 issued by Institute of Chartered Accountant of India does not apply to company.
- B) The company has made provision for Leave Salary on the actual balance leaves of the employees for the FY 2016-2017, calculated at the monthly basic plus HRA salary of the employees for the FY 2017-2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.6 The Company has a policy of booking Income received from “Kshitij Venture Capital Fund” and “Urban Infrastructure Opportunities Fund” on the basis of provisional income statement received from respective Venture Capital Fund Manager.

26.7 A) Fixed deposits with bank of Rs. 3,75,614/- includes fixed deposit of Rs. 3,08,871/- in the name of District and Sessions Judge, Ujjain deposited as guarantee money. However, the entire amount of Rs. 3,75,614 is subject to reconciliation and confirmation from the respective banks and authorities. The Fixed Deposit of Rs. 3,08,871/- was renewed in August 2003 having maturity in June 2006 with a maturity value Rs. 4,84,974/-. Since the status of the case is pending & there is no communication of renewal of Fixed Deposit post June 2006. Considering this fact, the company has not accounted for any interest income on the said fixed deposit.

B) During the F.Y. 2004-05, Company has kept Rs. 100.70 Lacs in Escrow account in fixed deposit in the name of Arcil Catalyst Private Limited previously known as ‘Atofina’ with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminum Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited. The present value of the fixed deposit as on 31st March 2017 is Rs. 18,752,326. Since the fixed deposit is in the name of Arcil Catalyst Private Limited no income on same is accounted for by the Company. Only in the event of a favourable outcome from the apex court in favour of the company, proceeds of fixed deposit will be received, the Company will account for interest income.

| 26.8 | Related party transactions | |
|-----------------------------|---|--|
| Details of related parties: | | |
| | <p>Description of relationship</p> <p>Associates</p> <p>Entities in which KMP / relatives of KMP have significant influence & Other group companies</p> <p>Key Management Personnel (KMP) as on 31/03/2017</p> | <p>Names of related parties</p> <p>Arcies Laboratories Ltd</p> <p>Four Dimensions Commodities Pvt. Ltd.</p> <p>Four Dimensions Securities (India) Ltd.</p> <p>Geecee Ventures Ltd</p> <p>Geecee Investments Ltd</p> <p>Geecee Business Pvt Ltd</p> <p>Sam Jag-Deep Investment Pvt Ltd</p> <p>Urudavan Investment and Trading Pvt Ltd.</p> <p>Winro Commercial (India) Ltd</p> <ul style="list-style-type: none"> • Shri Harisingh Shyamsukha - Director • Shri Anil Kumar Rajan - Director • Shri Ketan Desai - Director • Mrs Babita Thaker - Director • Mr Nalin Kothari - CEO (upto 11-08-2016) • Mr Rajiv Pathak - CEO (w.e.f. 11-08-2016) • Mrs Vaishali Rajesh Dhuri - CFO • Mrs Ekta Kumari - Company Secretary |

Note: 1. Pursuant to the scheme of Amalgamation between Aroni Commercials Limited (the transferor company) and Saraswati Commercial (India) Limited (the transferee company) along with the order passed by the Hon’ble National Company Law Tribunal, Mumbai bench on 16th March, 2017, Arkaya Commercial Private Limited and Sareshwar Trading and Finance Private Limited became the subsidiaries as on the effective date 31st March, 2017.

2. Related parties have been identified by the Management.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.9 Details of related party transactions during the year ended 31st March, 2017 and balances outstanding as at 31st March, 2017:

| Particulars | Subsidiaries | Associates | KMP | Relatives of KMP | Others | Total |
|--|--------------|-------------|-------------|------------------|---------------|--------------|
| | Rs | Rs | Rs | Rs | Rs | Rs |
| a Brokerage Paid | - | - | - | - | 5,571,171 | 5,571,171 |
| | (-) | (-) | (-) | (-) | (3,876,639) | (3,876,639) |
| b Employee benefit expenses | - | - | 7,657,476 | - | - | 7,657,476 |
| | (-) | (-) | (1,723,804) | (-) | (-) | (1,723,804) |
| c Interest Received on Loan | - | - | - | - | 15,039,301 | 15,039,301 |
| | (-) | (-) | (-) | (-) | (167,219) | (167,219) |
| d Dividend Received | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (873,501) | (873,501) |
| e Interest Paid | - | - | - | - | 3,129,102 | 3,129,102 |
| | (-) | (-) | (-) | (-) | (267,816) | (267,816) |
| f Miscellaneous Expenses | - | - | - | - | 8,485 | 8,485 |
| | (-) | (-) | (-) | (-) | (12,000) | (12,000) |
| Finance & Investment | | | | | | |
| g Loan Taken | - | - | - | - | 702,058,266 | 702,058,266 |
| | (-) | (-) | (-) | (-) | (225,100,000) | |
| h Loan Repaid | - | - | - | - | 702,058,266 | 702,058,266 |
| | (-) | (-) | (-) | (-) | (225,100,000) | |
| i Loans Advanced | - | - | - | - | 1,988,195,703 | |
| | (-) | (-) | (-) | (-) | (85,550,000) | (85,550,000) |
| j Loans Received back | - | - | - | - | 1,819,195,703 | |
| | (-) | (-) | (-) | (-) | (85,550,000) | (85,550,000) |
| k Investment purchased | - | - | - | - | 161,555,327 | 161,555,327 |
| | (-) | (-) | (-) | (-) | (-) | (-) |
| Balances outstanding at the end of the year | | | | | | |
| L Other Current Liability | - | - | 541,647 | - | 2,813,613 | 3,355,260 |
| | (-) | (-) | (70,000) | (-) | (241,034) | (311,034) |
| m Trade Payable | - | - | - | - | 77,276,540 | 77,276,540 |
| | (-) | (-) | (-) | (-) | (-) | (-) |
| n Short Term Loan & Advances | - | - | - | - | 169,000,000 | 169,000,000 |
| | (-) | (-) | (1,570) | (-) | - | (1,570) |
| o Trade Receivable | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (416,625) | (416,625) |
| p Investments | - | - | - | - | 352,120,892 | 352,120,892 |
| | (-) | (1,255,367) | (-) | (-) | (107,142,452) | |
| q Other Current Assets | - | - | - | - | 10,427,927 | 10,427,927 |
| | (-) | (-) | (-) | (-) | (150,501) | (150,501) |

Note: Figures in bracket relates to the previous year

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Disclosure in respect of Material Related Party Transactions during the year

| Particulars | | Relation | 2016-17 | 2015-16 |
|-------------|--|----------|---------------|-------------|
| | | | Rs | Rs |
| a | Brokerage Paid | | | |
| | Four Dimensions Securities (India) Ltd | Others | 5,571,171 | 3,876,639 |
| b | Employee benefit expenses- Transferee Company | | | |
| | Mr Nalin Kothari | KMP | 488,212 | 834,617 |
| | Mrs Vaishali Dhuri | KMP | 829,948 | 736,787 |
| | Mrs Ekta Kumari | KMP | 152,400 | 152,400 |
| | Mr Rajiv Pathak | KMP | 2,288,030 | - |
| | Employee benefit expenses- Transferor Company | | | |
| | Mr. Anoop Chaturvedi | KMP | 739,775 | - |
| | Mrs. Shreya Dhende | KMP | 762,053 | - |
| | Mr. Nirav Shah | KMP | 2,397,058 | - |
| c | Interest Received on Loan | | | |
| | Four Dimensions Securities (India) Ltd. | Others | 3,610,884 | 167,178 |
| | Kothari Premises Pvt Ltd | Others | 10,607,032 | - |
| | GeeCee Investment Ltd. | Others | 700,867 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 120,518 | 41 |
| d | Dividend Received | | | |
| | Geecee Ventures Ltd | Others | - | 873,501 |
| e | Miscellaneous Expenses | | | |
| | Mr Nalin Kothari | KMP | 2,895 | 6,000 |
| | Mrs Vaishali Dhuri | KMP | 5,590 | 6,000 |
| f | Interest Paid | | | |
| | Geecee Investments Ltd | Others | 2,866 | 49,159 |
| | Winro Commercial (India) Ltd | Others | 3,126,236 | 218,657 |
| | Finance & Investment | | | |
| g | Loan Taken | | | |
| | Geecee Investments Ltd | Others | 14,900,000 | 45,800,000 |
| | Winro Commercial (India) Ltd | Others | 687,158,266 | 179,300,000 |
| h | Loan Repaid | | | |
| | Geecee Investments Ltd | Others | 14,900,000 | 45,800,000 |
| | Winro Commercial (India) Ltd | Others | 687,158,266 | 179,300,000 |
| i | Loans Advanced | | | |
| | Geecee Investments Ltd | Others | 186,594,243 | - |
| | Four Dimensions Securities (India) Ltd | Others | 1,303,350,460 | 85,500,000 |
| | Kothari Premises Pvt Ltd | Others | 364,951,000 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 133,300,000 | 50,000 |
| j | Loans Received back | | | |
| | Geecee Investments Ltd | Others | 186,594,243 | - |
| | Four Dimensions Securities (India) Ltd | Others | 1,134,350,460 | 85,500,000 |
| | Kothari Premises Pvt Ltd | Others | 364,951,000 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 133,300,000 | 50,000 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | | Relation | 2016-17 | 2015-16 |
|-------------|--|------------|--------------------|------------|
| | | | Rs | Rs |
| k | Purchase of Investment from | | | |
| | Geecee Investments Ltd | Others | 107,703,551 | - |
| | Winro Commercial (India) Ltd | Others | 53,851,776 | - |
| | Balances outstanding at the end of the year | | | |
| l | Trade Payable | | | |
| | Four Dimensions Securities (India) Ltd | Others | 77,276,540 | - |
| m | Other Current Liabilities | | | |
| | Interest Payable | | | |
| | Geecee Investments Ltd | Others | - | 44,243 |
| | Winro Commercial (India) Ltd | Others | 2,813,613 | 196,791 |
| | Employee benefits payable | | | |
| | Mr Nalin Kothari | KMP | - | 35,000 |
| | Mr Rajiv Pathak | KMP | 372,587 | - |
| | Mrs Vaishali Dhuri | KMP | 156,060 | 35,000 |
| | Mrs Ekta Kumari | KMP | 12,500 | - |
| | Telephone Expenses Payable | | | |
| | Mrs Vaishali Dhuri | KMP | 500 | - |
| n | Other Current Assets | | | |
| | Four Dimensions Securities (India) Ltd. | Others | 145,218 | 150,460 |
| | Kothari Premises Pvt Ltd | Others | 9,546,329 | - |
| | GeeCee Investment Ltd. | Others | 627,914 | - |
| | Urdhavan Investment & Trading Pvt Ltd. | Others | 108,466 | 41 |
| o | Short Term loan & Advances | | | |
| | Mr Nalin Kothari | KMP | - | 1,570 |
| | Mrs Vaishali Dhuri | KMP | - | - |
| | Four Dimensions Securities (India) Ltd. | Others | 169,000,000 | - |
| p | Trade Receivable | | | |
| | Four Dimensions Securities (India) Ltd | Others | - | 416,625 |
| q | Investments | | | |
| | Sareshwar Trading & Finance Pvt. Ltd. | Subsidiary | - | 1,255,367 |
| | Geecee Venture Ltd | Others | 220,581,377 | Bonus |
| | Geecee Investments Ltd | Others | 812,436 | 752,636 |
| | Aroni Commercials Ltd | Others | - | 7,002,554 |
| | Winro Commercial (India) Ltd | Others | 684,209 | 684,209 |
| | Arkaya Commercial Pvt Ltd | Subsidiary | - | 50,000 |
| | Arcies Laboratories Ltd | Associates | - | - |
| | Four Dimensions Commodities Pvt Ltd. | Others | 130,000 | 130,000 |
| | Four Dimensions Securities (I) Limited | Others | 123,064,220 | 98,523,053 |
| | GeeCee Business Private Limited | Others | 6,848,650 | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.10 Earnings per share

| Note | Particulars | For the year ended | For the year ended |
|------|---|------------------------------|------------------------------|
| | | 31 st March, 2017 | 31 st March, 2016 |
| | | Rs. | Rs. |
| (a) | Profit as per Profit and Loss Account | 52,215,943 | 138,320,705 |
| (b) | Weighted average number of Equity Shares for Basic Earnings per share (Nos.) | 640,000 | 640,000 |
| (c) | Effect of weighted average of potential equity shares on issue of shares in Amalgamation (Nos.) | 390,593 | - |
| (d) | Weighted average number of equity shares for Diluted Earnings per share (Nos.) | 1,030,593 | 640,000 |
| (e) | Nominal Value of Equity Shares (Rs.) | 10.00 | 10.00 |
| (f) | Basic Earnings per share (Rs.) | 81.59 | 216.13 |
| (g) | Diluted Earnings per share (Rs.)* | 50.67 | 216.13 |

*Note :The diluted earning per share has been calculated after considering total number shares post allotment.

26.11 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

| Particulars | As at 31 st March, 2017 | As at 31 st March, 2016 |
|---|------------------------------------|------------------------------------|
| (a) Principal amount remaining unpaid to any supplier at the end of the accounting year. | - | - |
| (b) Interest due thereon remaining unpaid to any supplier at the end of the accounting year. | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

26.12 As per Notification (G's.R 308) dated 30th March, 2017 by the Ministry of Corporate Affairs, following are the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 :

| Particulars | Specified Bank Notes (SBN) | Other denomination notes | Coins | Total |
|---|----------------------------|--------------------------|-------|---------|
| (a) Closing Cash in hand as on 08-11-2016 | 91,000 | 1,180 | 85 | 92,265 |
| (b) (+) Permitted receipts | - | 320,000 | - | 320,000 |
| (c) (-) Permitted Payments | - | 35,007 | - | 35,007 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| | | | | | |
|-----|---------------------------------------|--------|---------|----|---------|
| (d) | (-) Amount deposited in Banks | 91,000 | - | - | 91,000 |
| (e) | Closing cash in hand as on 30-12-2016 | - | 286,173 | 85 | 286,258 |

Note : The above details of cash transactions includes the combined cash transaction of Saraswati Commercial (India) limited, Aroni Commercials Limited and Subsidiary.

26.13 The Group has spent Rs. 27 Lakh (previous year Rs. 6 Lakh) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|--|--|
| | Rs | Rs |
| (a) Gross amount required to be spent by the Company during the year. | 2,260,500 | 600,000 |
| (b) Amount spent during the year: | | |
| In Cash | 2,700,000 | 600,000 |
| Yet to be paid in cash | - | - |
| TOTAL | 2,700,000 | 600,000 |
| (i) Construction/acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 2,700,000 | 600,000 |

26.14 Investment in associate

(a) The break-up of Investment in Arcies Laboratories Limited as at 31st March, 2017 is as under:

| Particulars | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|--|--|--|
| | Rs | Rs |
| (i) Number of equity shares (Nos.) | 2,500 | 2,500 |
| (ii) Percentage holding (%) | 31.03% | 31.03% |
| (iii) Cost of Investment (Equity shares) | 25,000 | 25,000 |
| (iv) Goodwill/(Capital Reserve) Included in cost of Investment above | (78,933) | (78,933) |
| (v) Share in accumulated loss net of dividend received as at the beginning of the year | (880,900) | (787,259) |
| Add/(Less): Share of Profit / Loss for the year | 5,687 | (93,641) |
| Less: Dividend received during the year | - | - |
| Loss restricted to cost of investment | (25,000) | (25,000) |
| (vi) Carrying cost (iii + v) | - | - |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.15 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

| Particulars | | | | |
|---|--|----------------------|-------------------------------------|-------------------|
| Name of the Enterprise | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | |
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Parent | | | | |
| Saraswati Commercial (India) Limited | 100.00 | 1,156,780,765 | 100.00 | 52,215,943 |
| Associates (Investment as per the equity method) | | | | |
| Indian | | | | |
| Arcies Laboratories Limited | - | - | - | - |
| Foreign | NA | NA | NA | NA |
| | 100.00 | 1,156,780,765 | 100.00 | 52,215,943 |
| Total | | 1,156,780,765 | | 52,215,943 |

26.16 The company has borrowed short term loan from Barclays Investments and Loans (India) Limited against which the promoters and the company have pledged the shares of various companies held by them. The list of pledge securities by company as on 31st March, 2017 are as follows

| Name of Security | No of shares |
|---|--------------|
| Aditya Birla Fashion & Retail Limited | 40,000 |
| Housing Development Finance Corporation Limited | 9,000 |
| LIC Housing Finance Limited | 10,000 |
| MRF Limited | 300 |
| Sanofi India Limited | 13,000 |
| Shriram City Union Finance Limited | 2,000 |

26.17 The figures for the year ended 31st March 2017 are the merged figures of Saraswati Commercial (India) Limited (Transferee Company) and Aroni Commercials Limited (transferor company) & therefore the same are not strictly comparable with those of previous year.**26.18 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.****In terms of our Report attached****For AJMERA AJMERA & ASSOCIATES**Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017**For and on behalf of the Board of Directors**

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

Annexure - 4

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

| Name of Subsidiary | | Sareshwar Trading and Finance Pvt. Ltd. | Arkaya Commercial Private Limited |
|--------------------|--|---|-----------------------------------|
| 1 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 31.03.2017 | 31.03.2017 |
| 2 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | Nil | Nil |
| 3 | Share capital | 1,542,000 | 268,250 |
| 4 | Reserves & surplus | 1,005,333 | (23,677) |
| 5 | Total assets | 2,551,933 | 312,386 |
| 6 | Total Liabilities | 4,600 | 67,813 |
| 7 | Investments | 2,523,008 | 301,595 |
| 8 | Turnover | - | - |
| 9 | Profit before taxation | (11,395) | (28,476) |
| 10 | Provision for taxation | - | - |
| 11 | Profit after taxation | (11,395) | (28,476) |
| 12 | Proposed Dividend | - | - |
| 13 | % of shareholding | 60.77% | 61.83% |

The following information shall be furnished:-

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

Part "B": Associates and Joint Ventures

The company has no Joint Venture and therefore details under this heading relate only to Associate companies Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of associates/Joint Ventures | Arcies Laboratories Limited |
|---|-----------------------------|
| 1. Latest audited Balance Sheet Date | 31.03.2017 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end | |
| (i) No. of Shares | 2,500 |
| (ii) Amount of Investment in Associates/Joint Venture - Rs. In Lakhs | 0.25 |
| (iii) Extend of Holding% | 31.03 |
| 3. Description of how there is significant influence | Shareholding in Company |
| 4. Reason why the associate/joint venture is not consolidated | NA |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet(Rs in Lakhs) | (7.71) |
| 6. Profit/Loss for the year | |
| (i) Considered in Consolidation -(Rs in Lakhs) | 0.06 |
| (ii) Not Considered in Consolidation -(Rs in Lakhs) | - |

The following information shall be furnished:-

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

In terms of our Report attached**For AJMERA AJMERA & ASSOCIATES**

Chartered Accountants
FRN 123989W

Sd/-

Sandeep Ajmera

Partner

Membership No. 48277

Place : Mumbai

Date : 29th May, 2017**For and on behalf of the Board of Directors**

Sd/-

Harisingh Shyamsukha

Director

DIN : 00033325

Sd/-

Vaishali Rajesh Dhuri

Chief Financial Officer

Place : Mumbai

Date : 29th May, 2017

Sd/-

Anil Kumar Rajan

Director

DIN : 00054704

Sd/-

Ekta Kumari

Company Secretary

SARASWATI COMMERCIAL (INDIA) LIMITEDRegd. Office: 209-210, Arcadia Building, 2nd Floor, Plot No. 195, Nariman Point, Mumbai – 400 021.

Website: www.saraswaticommercial.com • Email: saraswati.investor@gcvl.in • Telephone: 022 66708600 • Fax: 022 66708650

CIN: L51909MH1983PLC166605

**FORM MGT-11
PROXY FORM**

Name of the Member(s):

Registered Address:

Email id:

Folio No./Client Id/ DP ID:

I / We being a member(s) of **SARASWATI COMMERCIAL (INDIA) LIMITED** shares of the above named company, 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 poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on **Thursday, 28th September, 2017 at 4.30 p.m at Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. no. | Resolution | For | Against |
|---------|--|-----|---------|
| 1 | Adoption of the Financial Statements and Reports thereon for the year ended March 31, 2017 | | |
| 2 | Re-appointment of Mr. Harisingh Shyamsukha (DIN:00033325) who retires by rotation | | |
| 3 | Appointment of M/s Ajay Shobha & Co. (FRN: 317031E); Chartered Accountants as Statutory Auditors of the company and to fix their remuneration. | | |
| 4 | Appointment of Mr. V V Sureshkumar (DIN: 00053859) as a (Non-Executive) Director of the Company. | | |
| 5 | Increase the borrowing limit under section 180 (1) (c) of the Companies Act, 2013 | | |
| 6 | Approval of Related Party Transaction. | | |

Signed this _____ day of _____ 2017.

Signature of the Shareholder

Signature of the proxy holder(s)

| |
|---------------------------------------|
| Affix Re. 1.00 Revenue Stamp |
|---------------------------------------|

Note:

- 1) This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

SARASWATI COMMERCIAL (INDIA) LIMITED

Regd. Office: 209-210, Arcadia Building, 2nd Floor, Plot No. 195, Nariman Point, Mumbai – 400 021.

Website: www.saraswaticommercial.com Email: saraswati.investor@gcvl.in Telephone: 022 66708600 Fax: 022 66708650

CIN: L51909MH1983PLC166605**ATTENDANCE SLIP****34TH ANNUAL GENERAL MEETING**

| | |
|--------------------------------------|--|
| DP ID – Client ID / Folio No. | |
| Name & Address of Member: | |
| No of Shares held | |

I certify that I am a member / proxy of the Company

I hereby record my presence at the 34th Annual General Meeting of the Company held on 28th September, 2017 at 4:30 p.m. at Oricon House, 6th Floor, 12, K. Dubhash Marg, Mumbai – 400 001.

Member's / Proxy's Signature

 CutHere
ELECTRONIC VOTING PARTICULAR

| <u>EVEN</u> (E-voting Event Number) | <u>User ID</u> | <u>Password / PIN</u> |
|--|----------------|-----------------------|
| | | |

Note: Please read the complete instructions given under the Note (the instruction for shareholders voting electronically) to the Notice of Annual General Meeting. The voting time starts from 25th September, 2017 (9:00 a.m. IST) and ends on 27th September, 2017 (5:00 p.m. IST). The voting module shall be disabled by NSDL for voting thereafter.

Route map from CST Railway Station and Churchgate Railway Station to Oricon House



If undelivered, please Return to:

SARASWATI COMMERCIAL (INDIA) LIMITED
209-210, Arcadia, 2nd Floor, 195 Nariman Point,
Mumbai - 400 021.