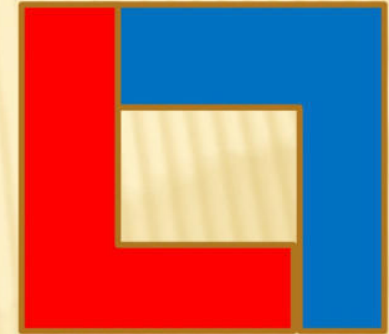


# SULABH

ENGINEERS AND SERVICES LIMITED



Welcomes You To

37<sup>th</sup> Annual General Meeting

Head Office: 206, 2<sup>nd</sup> Floor, Apollo Complex Premises  
Coop Society RK Singh Marg Andheri East Mumbai

Date: September 29<sup>th</sup>, 2020  
Time: 2:00pm

**SULABH ENGINEERS & SERVICES LIMITED**

**ANNUAL REPORT**

**2019-2020**

## CONTENTS

<b>PAGE</b>	<b>CONTENTS</b>
<b>03:</b>	CORPORATE INFORMATION
<b>04:</b>	DIRECTOR'S REPORT
<b>27:</b>	MANAGEMENT DISCUSSION AND ANALYSIS
<b>32:</b>	CORPORATE GOVERNANCE REPORT
<b>45:</b>	AUDITOR'S REPORT (STAND ALONE)
<b>53:</b>	FINANCIAL STATEMENTS (STAND ALONE)
<b>74:</b>	AUDITOR'S REPORT (CONSOLIDATED)
<b>80:</b>	FINANCIAL STATEMENTS (CONSOLIDATED)
<b>104:</b>	NOTICE OF ANNUAL GENERAL MEETING

**REGISTERED OFFICE**

206, 2<sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society Ltd., R .K. Singh Marg office, Parsi Panchayat Road, Andheri (East), Mumbai-400069

Tele No- 022-67707822 Fax No. - 022- 67707822

E- Mail : [sulabheng22@gmail.com](mailto:sulabheng22@gmail.com), [sulabhinvestorcell@gmail.com](mailto:sulabhinvestorcell@gmail.com)

**CORPORATE OFFICE**

17/11, The Mall, Kanpur 208001

Tele No- 0512-2311226, 2319705 Fax No- 0512- 2363774

**CORPORATE IDENTIFICATION NUMBER (CIN)**

L28920MH1983PLC029879

**BANKER**

Union Bank of India

Kotak Mahindra Bank

**REGISTRAR AND SHARE TRANSFER AGENT**

M/S Skyline Financial Services Private Limited  
D-153-A, 1<sup>st</sup> floor, Okhala Industrial Area,  
Phase I, New Delhi- 110020

Phone: 011-26812682/64732681-88

Email: [admin@skylinerta.com](mailto:admin@skylinerta.com)

**WEBSITE**

[www.sulabh.org.in](http://www.sulabh.org.in)

**COMPANY SECRETARY**

Mr. Siddharth Dwivedi

**AUDITORS**

Sunil Soni & Co.

Chartered Accountants

11B/4, Indian Airlines Colony, Kalina Santacruz(East),  
Mumbai – 400029, India.

Tel: 91-22-26655910.

**SECRETARIAL AUDITOR**

GOPESH SAHU

205-A, Anand Tower, 117/K/13, Sarvodaya Nagar, Kanpur-208025  
0512-2505455

## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

#### **Mr. Manoj Kumar Agarwal**

##### *Whole Time Director*

Mr. Manoj Kumar Agarwal is an industry veteran and has more than two decades of experience of working with various finance and investment companies. His rich experience has proven to be of immense assistance for the company. He is also associated with many industrial groups. He is also well recognized and appreciated for his civic and philanthropic contributions.

#### **Mrs. Seema Mittal**

##### *Director and Chief Financial Officer*

Mrs. Mittal is a business consultant and has expertise in various aspects of corporate finance and Investment Banking. She also has good knowledge of legal aspects of business matters and successfully leveraged her expertise and experience to steer the Company's growth.

#### **Mr. Deepak Agarwal**

##### *Independent Director*

Deepak Agarwal is a experienced businessman having vast expertise in the field of Education and Finance.

#### **Mr. Rakesh Chand Agarwal**

##### *Independent Director*

Rakesh Chand Agarwal is a renowned businessman. Mr. Agarwal has over 25 years of experience with significant expertise across various business functions including, operations, collections, sales, distribution and risk.

#### **C.A. Vijay Kumar Jain**

##### *Independent Director*

Vijay Kumar Jain is a Qualified Chartered Accountant with over two decades of experience in capital market and financial advisory service having wide experience in the financial sector and credit administration. He was appointed as a Non Executive Independent Director on the Board of the Company on 28<sup>th</sup> September, 2019.

## DIRECTOR'S REPORT

Stakeholders

Board of Directors is privileged to present with great honor, this 37<sup>th</sup> Annual Report together with Audited statement on the business and operations of the company for the year ended on 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS (STANDALONE): (in Lakhs)

Particulars	2019-20 (INR.)	2018-19 (INR.)
Revenue From Operations	57.54	70,16
Other Income	0.00	2.35
Total Income	<b>57.54</b>	<b>72.51</b>
<b>Profit/(Loss) Before Interest &amp; Dep.</b>	<b>35.49</b>	<b>48.34</b>
Less: Interest	0.20	0.10
Less: Depreciation	2.90	0.31
<b>Profit / (Loss) Before Tax</b>	32.39	47.93
Less: Current Tax	8.10	(0.81)
Less: Deferred Tax	(9.78)	0.47
<b>Net Profit After Tax</b>	<b>34.07</b>	<b>48.27</b>

### **RESULTS OF OPERATIONS AND STATE OF AFFAIRS (STANDALONE)**

The highlights of the performance during the year under review are as under:

- Total Revenue from Operations decreased in current year by 20.65%.
- Profit Before Interest & Dep. decreased to 26.58% Rs. 35,49,000/- (as per Previous year Rs. 48,34,000/-).
- profit after tax of the Company is also decreased to 29.42% in the current financial year which amounts to Rs. 34,07,000 as compared to Previous year Rs. 48,27,000/-

### FINANCIAL RESULTS (CONSOLIDATED): (in Lakhs)

Particulars	2019-20 (INR.)	2018-19 (INR.)
Revenue From Operations	382.21	800.84
Other Income	0	3,50,000
Total Income	382.21	804.34
<b>Profit/(Loss) Before Interest &amp; Dep.</b>	<b>220.59</b>	<b>259.23</b>
Less: Interest	0.20	0.69
Less: Depreciation	10.60	5.70
<b>Profit / (Loss) Before Tax</b>	209.79	252.84
Less: Current Tax	8.10	(0.81)
Less: Deferred Tax	(9.78)	0.55
<b>Net Profit After Tax</b>	<b>211.47</b>	<b>253.10</b>

### **RESULTS OF OPERATIONS AND STATE OF AFFAIRS (CONSOLIDATED)**

The highlights of the performance during the year under review are as under:

- Total Revenue from Operations decreased in current year to 52% to Rs. 3,82,21,000 (as compare to Previous year Rs. 8,04,34,000/-)

- Profit Before Interest & Dep. decreased to 14.91% Rs. 2,20,59,000/- (as per Previous year Rs. 2,59,23,000/-).
- Even profit after tax of the Company decreased to 16.45% in the current financial year which amounts to Rs. 2,11,47,000 (as compared to Previous year Rs. 2,53,10,000/-).

#### **SHARE CAPITAL**

The paid up equity capital as on March 31, 2020 was Rs.100475000/-. During the year under review, the Company has not issued shares with differential voting rights nor has issued any sweat equity. As on March 31, 2020, none of the Directors of the Company hold any convertible instruments of the Company.

#### **DIVIDEND**

It was decided by the Board not to declare any dividend this year.

#### **TRANSFER TO RESERVES**

The Company transferred an amount of Rs. 6,81,000/- to the Special Reserves under section 45IC of RBI Act, during the year.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

The audited consolidated financial statement of the Company prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is provided in the Annual Report.

A statement containing the silent features of the financial statement of the subsidiary in the prescribed Form AOC-1 are annexed (Annexure- F)

#### **SUBSIDIARY COMPANIES**

As on March 31, 2020 the Company has the following subsidiary:

1. Rodic Coffee Estates Private Limited.

The audited financial statements, the Auditors Report thereon and the Board's Report for the Company's subsidiary for the year ended March 31, 2020 are available on the website of the Company. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, your Board of Directors states that:

- a) In preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- b) 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 March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) 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;



- d) The Directors have prepared the annual accounts on a 'going concern basis;
- e) The Directors have laid down proper internal financial controls to be followed by the Company and that such financial controls are adequate and are operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems are adequate and are operating effectively.

### **CORPORATE GOVERNANCE**

As was disclosed in the last year annual's report , The Company has been observing best governance practices and is committed to adhere to the Corporate Governance requirements on an ongoing basis. A separate section on Corporate Governance as stipulated under Part C of Schedule V and a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance, as stipulated under Part E of Schedule V of the SEBI (Listing Obligation and Discloser Requirements) 2015 forms part of this Annual Report.

### **RELATED PARTY TRANSACTIONS**

The related Party transactions entered by the Company have been clearly identified in Note No. 4.3 & Note no. 4.3 (Standalone and Consolidated) respectively in the balance sheet section annexed to this report. Form AOC-2 is attached as Annexure G.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company does not meet the requirement of Section 135 of the Companies Act, 2013 for applicability of Corporate Social Responsibility and so the Company is not mandatorily required to contribute towards CSR for the financial year under review.

### **FIXED DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal controls. Internal Auditors report to the Chairman of the Audit Committee of the Board and ensure compliances with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of the company is duly constituted.

All the other directors except Mr. Manoj Kumar Agarwal and Mrs. Seema Mittal are Independent and Non Executive Directors and are not liable to retire by rotation. As Mr. Manoj Kumar Agarwal is the Whole time Director of the company, Therefore pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mrs. Seema Mittal retires by rotation at the ensuing Annual General Meeting and offers herself for reappointment.

### **DECLARATION BY INDEPENDENT DIRECTOR(S)**

The Company has received declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 in respect of meeting the criteria of Independence provided under Section 149(6) of the said Act. & Regulation 16 (1)(b) of the SEBI (Listing Obligation and Discloser Requirements) 2015.

## **FORMAL ANNUAL PERFORMANCE EVALUATION**

Pursuant to Section 178(2) of the Companies Act, 2013 & Regulation 17 (10) of the SEBI (Listing Obligation and Discloser Requirements) 2015. The Nomination and Remuneration Committee has carried out evaluation of performance of every Director. The board has carried out an Annual performance evaluation of its own performance, of the Directors individually as well as evaluation of the working of its various Committees. The performance evaluation of Independent Director was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and Non-Independent Director was carried out by the Independent Director at their separate Meeting held on 19<sup>th</sup> Day of March 2020.

## **NOMINATION AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection of Directors, determining Directors independence and payment of remuneration to Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Policy is stated in the Report on Corporate Governance.

## **FAMILIARIZATION PROGRAM**

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company at [www.sulabh.org.in](http://www.sulabh.org.in)

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on Directors Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is available on Company's website.

## **AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditors**

M/s Sunil Soni & Co., was appointed as statutory auditors of the company as per the provisions of section 139 and 141 of the Companies Act, 2013 and rules made there under after obtaining written consent to act as statutory auditor of the company for a period of five years commencing from the conclusion of 34<sup>th</sup> Annual General Meeting to the conclusion of 39<sup>th</sup> Annual General Meeting.

The Notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### **Secretarial Auditor**

CS Gopesh Sahu, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for the financial year 2019-20 as required under section 204 of the Companies Act, 2013 and the rules there under. The Secretarial Audit report for the financial year 2019-20 forms part of the Annual Report as "Annexure A" to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark.

### **Secretarial Auditor (Material Subsidiary Company)**

CS Vaibhav Agnihotri, Practicing Company Secretary conducted the Secretarial Audit of Rodic Coffee Estates Private Limited (Material Subsidiary of Sulabh Engineers and Services Limited) for the financial year 2019-2020 as per requirement under Regulation 24A of SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015. Secretarial Audit Report of Material Subsidiary is also required to be attached with annual report of holding company, as "Annexure B" to the Board's Report.

## **DISCLOSURES**

### **Audit Committee**

The Audit Committee comprises Independent Directors namely Mr. Deepak Agarwal (Chairman), Mr. Rakesh Chand Agarwal and Mr. Manoj Kumar Agarwal as other members.

The Audit Committee coordinated with the Statutory Auditors, Internal Auditors and other key personnel of the Company and has rendered guidance in the areas of internal audit and control, finance and accounts.

All the recommendations made by the Audit Committee were accepted by the Board.

Four meetings of the Audit Committee were held during the year. The details of which are provided in Report on Corporate Governance.

### **Stakeholders' Relationship Committee**

The Committee had one meeting during the year. The details of which are provided in Report on Corporate Governance. There is no unresolved pending investor grievance.

### **Nomination & Remuneration Committee**

The Nomination and Remuneration Committee recommends to the Board the suitability of candidates for appointment as Key Managerial Personnel, Directors and the remuneration payable to them and other employees.

The Nomination and Remuneration Committee held two meetings during the year. The details of which are provided in Report on Corporate Governance.

### **Vigil Mechanism / Whistle Blower Policy**

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal.

The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The WBP may be accessed on the Company's website at the link [www.sulabh.org.in](http://www.sulabh.org.in)

### **Risk Management framework**

The Board has formulated Risk management policy including procedures and risk assessment to ensure that the Board, its Audit Committee and its Executive Management should collectively identify the risks impacting the Company's business and take suitable action for risk identification, risk minimization and risk optimization.

The Board reviews the risk trend, exposure and potential impact analysis and prepares risk mitigation plans, if necessary.

### **Meetings of Board**

The Board of Directors held five meetings during the year, the details of which are provided in Report on Corporate Governance. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

### **Particulars of Loans, Investments, Guarantees**

During the year under review, the Company has not given any loans and guarantees. Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note no. 2.2 & 2.3 of Notes to the Financial Statements.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

As per the provisions of Section 134(3) (m) of the Companies Act, 2013, relating to conservation of energy and technology absorption .there is a system of proper check and control in order to avoid unnecessary wastage of power and energy.

Foreign Exchange earnings and outgo is **NIL**.

### **Web Link of Annual Return**

The Annual Return of the Company would be posted on the website of the company having web link as [www.sulabh.org.in](http://www.sulabh.org.in) . Further to this, Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2020 is also attached as Annexure “Annexure C”.

### **Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “Annexure D ”.

### **Disclosure under Sexual Harassment of Women**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. & also available on Company’s website. All women employees (permanent, contractual, temporary and trainee) are covered under this Policy.

The following is a summary of Sexual Harassment complaints received and disposed off during the year:

- a) No. of Complaints received: Nil
- b) No. of Complaints disposed off: Nil

### **MANAGEMENT DISCUSSION AND ANALYSIS**

As per the requirements of Regulation 34(2)(e) of SEBI Listing Obligations and Disclosure Requirements,2015 is annexed herewith as “Annexure E”.

### **RESERVE BANK OF INDIA DIRECTIONS**

Your Company is non-banking finance company (NBFC). Accordingly, during the year, Company has not accepted any deposits from the public and there were no deposits which become due for repayment or renewal.

Company has complied with the directives issued by the Reserve Bank of India under the Non Banking Financial Companies (Reserve Bank of India) Directions, 2007, and Non-Banking Financial Companies –

Corporate Governance (Reserve Bank) Directions, 2015 as amended from time to time.

### **ACKNOWLEDGMENTS**

The Board of Directors acknowledge with thanks for the support extended by the bankers, business associates, clients, consultants, advisors, shareholders, investors and the employees of the Company and subsidiaries for their continued co-operation and support.

The Board of Directors would also like to appreciate for the co-operation received from the Reserve Bank of India, SEBI & BSE and all other statutory and/or regulatory bodies.

**For and on behalf of the Board**

**Seema Mittal**

Director

DIN: 06948908

**Rakesh Chand Agarwal**

Director

DIN: 03539915

Place: Kanpur

Date: 04<sup>th</sup> September 2020

## Annexure A

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To,

The Members

**SULABH ENGINEERS AND SERVICES LIMITED**

Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **SULABH ENGINEERS AND SERVICES LIMITED (CIN L28920MH1983PLC029879)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s SULABH ENGINEERS AND SERVICES LIMITED for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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 (not applicable to the company during the Audit period)
- (v) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the company during the Audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the Audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the company during the Audit period);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the Audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit period);
- (vi) Other Laws as per the representation given by the company.

I 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 Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except an instance:

***A show cause notice under section 124(6) of the Companies Act, 2013 was issued by IEPPF Authority on 14.02.2020 which was replied by the company on 26.02.2020.***

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors wherein resignations of Ms. Sudeepti Srivastava Independent Director and the appointment of Mr. Vijay Kumar Jain as Independent directors made thereupon were duly reported to MCA as per law.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda in most of the occasions 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I 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.

I further report that during the audit period, there were no events having a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines etc. Other than that mentioned herein below:

***1. That proceedings in respect of Show Cause Notices issued by the SEBI in 2017-18 is been dealt with Company and the matter remain sub judice as informed by the management the Company.***

Place : Kanpur  
Date : 08.08.2020

**CS GOPESH SAHU**  
FCS:7100  
C.P. No. 7800  
UDIN: F007100B000563414

This report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.



**“ANNEXURE – A” to the Secretarial Audit Report**

To,

The Members

SULABH ENGINEERS AND SERVICES LIMITED

Mumbai.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. Due to ongoing Covid pandemic i have not visited the registered office of the company and had relied upon the document and records shared to me thru online mode except those which were available at the corporate office of the Company at Kanpur, Uttar Pradesh.

3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company

5. Where ever required, i have obtained the management Representation about the compliance of laws, rules and regulation and happening of every events etc.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS GOPESH SAHU  
FCS:7100  
C.P. No. 7800

Date: 08.08.2020

**“Annexure B”**  
**SECRETARIAL AUDIT REPORT**

*FOR THE FINANCIAL YEAR ENDED 31.03.2020*

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

To,

The Members of

**M/S Rodic Coffee Estates Private Limited**

**211/3, D-288-289, Street No. 10,  
Wadhwa Complex,  
Vikas Marg, Laxmi Nagar  
Delhi -110092**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s RODIC COFFEE ESTATES PRIVATE LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s RODIC COFFEE ESTATES PRIVATE LIMITED for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under; (Not applicable during the year);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not applicable during the year);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable during the year);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

I. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable during the year);

II. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during the year);

III. 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; (Not applicable during the year);

IV. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; (Not applicable during the year);

V. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable during the year);

(vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company under the financial year under report:- (Not applicable during the reporting period)

(a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during the reporting period);

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year);

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the reporting period);and

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the reporting period);

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (as amended from time to time)

(ii) The Listing Agreements entered into by the Company with BSE Limited, Stock Exchange. (Not applicable during the reporting period)

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

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Directors. Further the Company Secretary of the holding company i.e Sulabh Engineers and Services Ltd. was appointed as the Company Secretary of the Company duly compliant with the applicable provisions of the Companies Act 2013. The Company is a material subsidiary of its holding Company.

Adequate notice was 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I 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 have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under applicable laws/Acts/Regulations to the Company.

This report is to be read with our letter of even date which is annexed as "Annexure - A" and forms an integral part of this Report.

Place: Kanpur

Date: 29/08/2020

Firm:

Name of Company Secretary in practice /

For V. Agnihotri & Associates.

**( Prop: Vaibhav Agnihotri)**

**FCS No. 10363**

**C P No.: 21596**

**“ANNEXURE – B” to the Secretarial Audit Report**

To,  
The Members,  
**M/S Rodic Coffee Estates Private Limited**  
**211/3, D-288-289, Street No. 10,**  
**Wadhwa Complex,**  
**Vikas Marg, Laxmi**  
**Nagar Delhi -110092**

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

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

Place: Kanpur

Date: 29/08/2020

Name of Company Secretary in practice / Firm:

**For V. Agnihotri & Associates.**

**(Prop: Vaibhav Agnihotri)**

**ACS No. 36594**

**C P No.: 21596**

### Annexure "C"

#### **EXTRACT OF ANNUAL RETURN as on the financial year ended March 31, 2020**

*[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

#### **I. REGISTRATION AND OTHER DETAILS**

<b>i</b>	CIN	L28920MH1983PLC029879
<b>ii</b>	Registration Date	27 <sup>th</sup> April, 1983
<b>iii</b>	Name of the Company	Sulabh Engineers & Services Limited
<b>iv</b>	Category / Sub-Category of the Company	Public Company/Non-Government Company
<b>v</b>	Address of the Registered office and contact details	Office No.206, 2 <sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society Ltd., R .K. Singh Marg office, Parsi Panchayat Road,Andheri (East),Mumbai-400069 Tele No- 022-67707822 Fax No. - 022-67707822 E- Mail : sulabheng22@ gmail.com, sulabhinvestorcell@gmail.com
<b>vi</b>	Whether listed company	Yes
<b>vii</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S Skyline Financial Services Private Limited D-153-A, 1 <sup>st</sup> floor, Okhala Industrial Area, Phase I, New Delhi- 110020 Phone: 011-26812682/83 & 64732681-88 Email: admin@skylinerta.com

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company

<b>Sl. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/service</b>	<b>% to total turnover of the company</b>
<b>i</b>	Financial Services except Insurance and pension funding activities.	64920, 64990	100%

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>Sl. No.</b>	<b>Name and Address of the Company</b>	<b>CIN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares Held</b>	<b>Applicable Section</b>
<b>i</b>	Rodic Coffee Estates Private Limited 39, 2ND FLOOR,POCKET-I JASOLA VIHAR, NEW DELHI-110025	U01131DL2012PTC238155	Subsidiary	51%	2 (87)

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

##### i. Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the years				No. of Shares held at the end of the years				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. PROMOTER</b>									
<b>1. Indian</b>									
a. Individual/HUF	22683437	Nil	22683437	22.58	22683437	Nil	22683437	22.58	Nil
b. Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c. State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d. Bodies Corp.	3000000	Nil	3000000	2.99	3000000	Nil	3000000	2.99	Nil
e. Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f. Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1):-</b>	<b>25683437</b>	<b>Nil</b>	<b>25683437</b>	<b>25.56</b>	<b>25683437</b>	<b>Nil</b>	<b>25683437</b>	<b>25.56</b>	<b>Nil</b>
<b>2. Foreign</b>									
a. NRIs - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. Other – Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A) (2):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>25683437</b>	<b>Nil</b>	<b>25683437</b>	<b>25.56</b>	<b>25683437</b>	<b>Nil</b>	<b>25683437</b>	<b>25.56</b>	<b>Nil</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a. Mutual Funds/	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. State Govt. (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Venture Capital funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g. FII	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h. Foreign venture capital funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i. Others (Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non Institutions</b>									
a. Body Corporate									
i) Indian	23126810	304200	23431010	23.32	23032132	304200	23336332	23.23	(0.09)
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

b. Individual i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2219367	NIL	2219367	2.21	2315980	NIL	2315980	2.31	0.10
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	44280982	NIL	44280982	44.07	44280992	NIL	44280982	44.07	0.00
c. Others									
i. NRI	12416	NIL	12416	0.01	15177	NIL	15177	0.02	0.01
ii. Public Trust	18400	NIL	18400	0.02	18400	NIL	18400	0.02	0
iii. HUF	4798985	NIL	4798985	4.78	4801220	NIL	4801220	4.78	0.00
IV. Clearing Members/House	27403	NIL	27403	0.03	10462	NIL	10462	0.01	(0.02)
V. Others(IEPF)	3000	NIL	3000	0	3000	NIL	3000	0	0
VI. NBFC Registered With RBI	0	NIL	0		10000		10000	0.01	0.01
<b>Sub- total (B)(2):-</b>	74487363	304200	74791563	74.44	74487363	304200	74791563	74.44	0.00
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	74487363	304200	74791563	74.44	74487363	304200	74791563	74.44	0.00
<b>C.SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>GRAND TOTAL (A+B+C)</b>	100167800	304200	100475000	100	100170800	304200	100475000	100	NIL

### ii Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of year			% change in share holding 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	RUCHI AGARWAL	5816000	5.79	0.00	5816000	5.79	0.00	0.00
2	SANDHYA AGARWAL	5375000	5.35	0.00	5375000	5.35	0.00	0.00
3	SANTOSH KUMAR AGARWAL	4644637	4.62	0.00	4644637	4.62	0.00	0.00
4	KRISHANA AGARWAL	3180000	3.16	0.00	3180000	3.16	0.00	0.00
5	MANOJ KUMAR AGARWAL	292500	0.29	0.00	292500	0.29	0.00	0.00
6	MANISH AGARWAL	1675800	1.67	0.00	1675800	1.67	0.00	0.00
7	SANTOSH KUMAR AGARWAL & SONS	1000000	1.00	0.00	1000000	1.00	0.00	0.00
8	DEEPA MITTAL	699500	0.7	0.00	699500	0.7	0.00	0.00
9	GOVIND MERCANTILE Pvt Ltd.	3000000	2.99	0.00	3000000	2.99	0.00	0.00
10	<b>TOTAL</b>	<b>25683437</b>	<b>25.56</b>	<b>0.00</b>	<b>25683437</b>	<b>0.00</b>	<b>25.56</b>	<b>0.00</b>



**iii. Change in Promoters' Shareholding (please specify, if there is no change**

Sl No.	Name	Details of Change in Shareholding
1	RUCHI AGARWAL	NO CHANGE
2	SANDHYA AGARWAL	
3	SANTOSH KUMAR AGARWAL	
4	KRISHANA AGARWAL	
5	MANOJ KUMAR AGARWAL	
6	MANISH AGARWAL	
7	SANTOSH KUMAR AGARWAL & SONS	
8	DEEPA MITTAL	
9	GOVIND MERCANTILE PVT.LTD	

**(iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the Reason for increase / decrease			Shareholding at the End of the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	SOM PRAKASH GOENKA	3885717	3.87				3885717	3.87
2	SURENDRA KUMAR GUPTA	3232121	3.22				3232121	3.22
3	RAJNI GUPTA	2750000	2.74				2750000	2.74
4	MADHU RANI GOENKA	2750000	2.74				2750000	2.74
5	UNICON TIE UP PRIVATE LIMITED	2729000	2.72				2729000	2.72
6	RAJ KUMAR	1755969	1.75				1755969	1.75
7	SPICE MERCHANT PRIVATE LTD	1448794	1.44				1448794	1.44
8	SUNITA MAHESHWARI	1250000	1.24				1250000	1.24
9	ANAND MAHESHWARI	1250000	1.24				1250000	1.24
10	ARUN CHAWLA	1202800	1.20				1202800	1.20

**v) Shareholding of Directors and Key Managerial Personnel**

**A. Directors**

Manoj Kumar Agarwal (WHOLE TIME DIRECTOR)

Shareholding at the beginning of the year		Cumulative shareholding during the year		Shareholding at the end of the year	
292500	0.29	Nil	0.00	292500	0.29

**NO OTHER DIRECTOR AND NONE OF THE KEY MANAGERIAL PERSONNEL HOLD ANY SHARE IN THE COMPANY.**

**V. INDEBTEDNESS:**

	Secured loans (excluding Deposit	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not Paid	-	-	-	-
iii. Interest accrued but not Paid	-	-	-	-
<b>Total(i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not Paid	-	-	-	-
iii. Interest accrued but not Paid	-	-	-	-
<b>Total(i+ii+iii)</b>	<b>0</b>	-	-	<b>0</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

As mentioned in the last year's annual report also, Mr. Manoj Kumar Agarwal Whole Time Director renounced his salary w.e.f. 01 July 2014 hence No Managing Directors Whole Time Director and /or Manager are in receipt of any remuneration.

**B. Remuneration to other Directors:**

1. Independent Directors: No Remuneration has been paid to any Independent Director.

C. Other Non Executive Directors: No Remuneration has been paid to any Non Executive Director Remuneration To Key Managerial Personnel Other Than Md/ Manager/ Whole Time Director

Sl No	Particulars of Remuneration	*Mrs. Seema Mittal Chief Financial Officer	Mr. Siddharth Dwivedi Company Secretary	Total
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	180000/-	239000/-	419000/-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL
<b>2</b>	Stock Options	NIL	NIL	NIL
<b>3</b>	Sweat Equity	NIL	NIL	NIL
<b>4</b>	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
<b>5</b>	- others	NIL	NIL	NIL
<b>6</b>	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	<b>180000/-</b>	<b>239000/-</b>	<b>419000/-</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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)
<b>A. COMPANY</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NONE</b>				
Punishment					

**Annexure "D"**

**DETAILS PERTAINING TO EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013  
READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL  
PERSONNEL) RULES, 2014**

<b>Sl. No.</b>	<b>Particulars required</b>	<b>Relevant details</b>
<b>i</b>	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Mrs. Seema Mittal is drawing salary in the capacity of Chief Financial Officer (CFO) of the Company and not as a Director. No other Directors are in receipt of remuneration. Hence the clause is not applicable.
<b>ii</b>	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	There was no increase in remuneration of any director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year
<b>iii</b>	Percentage increase in the median remuneration of employees in the financial year	<b>NIL</b>
<b>iv</b>	Number of permanent employees on the rolls of company	<b>04</b>
<b>v</b>	Explanation on the relationship between average increase in remuneration and company performance	<b>N/A</b>
<b>vi</b>	Comparison of the remuneration of the Key Managerial Personnel(KMP) against the performance of the company	There was no increase in remuneration of the KMP's
<b>vii</b>	a. Variations in the market capitalization of the company;	Market capitalization as on March 31, 2019 was 8.74 Cr. Market capitalization as on March 31, 2020 was 7.03 Cr.
	b. Price earnings ratio as at the closing date of the current financial year and previous financial year.	Price earnings ratio of the Company was for 31.03.2019 was 0.174 Price earnings ratio of the Company was for 31.03.2020 is 0.23 There has been a decrease of 19.54 percentages in the price of shares of the Company in due course during the start and end of the financial year.
	c. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	c. The Company has not made any Public Issue or Rights issue of securities after 2009, so comparison have not been made of current share price with public offer price. The Company's shares are listed on Bombay Stock Exchange
<b>viii</b>	Average percentile increase already made in the salaries of employees other than the managerial	There was no increase in the salaries of employees and in the managerial

	personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	remuneration
<b>ix</b>	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	There was no increase in remuneration of the KMP's
<b>x</b>	The key parameters for any variable component of remuneration availed by the Directors	<b>NIL</b>
<b>xi</b>	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year	<b>NONE</b>
<b>xii</b>	It is hereby affirmed that the remuneration is paid as per the Remuneration Policy for the Directors, Key Managerial Personnel and employees.	

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than ` 60,00,000/- p.a.

**NONE**

B) Employed for part of the year and was in receipt of remuneration which is in the aggregate was not less than ` 5,00,000/- p.m.

**NONE**

## **ANNEXURE E**

### **MANAGEMENT DISCUSSION & ANALYSIS**

#### **ANNUAL OVERVIEW AND OUTLOOK**

It has been a challenging year with several macro headwinds encompassing Industrial, infrastructure and Real estate market. Slow economic activity and liquidity challenges impacted the overall demand scenario in the industry. During the year Government undertook certain initiatives like reduction of corporate tax rates, creating a separate corpus which could have positive impact in the long run.

Later part of the year also witnessed an unprecedented outbreak of Corona Virus sending global economies into disapprobation, impacting supply chain as well as consumer sentiment. Complete lockdown of the country was unparalleled to any disruption experienced in the past several decades. It is feared that COVID-19 would leave a deep cut in economy and corporate financials. Currently there is uncertainty on pace of recovery, but management is making sure that the organization remains fully energized during the period and ready to bounce back on the next opportunity. This disruption impacted the performance of the company for the year but still managed to secure industry level growth. Then management expects that these are short term challenges and continues to pursue its long term growth strategy. We are confident to lead the recovery in a shorter period in post pandemic phase and strive to sustain profitable growth.

#### **INDUSTRY OVERVIEW**

Non-banking finance companies (NBFCs), an integral component of the Indian lending ecosystem, could see a major impact of COVID-19 on their liquidity position and asset quality in the financial year 2020-21 due to complete halt of economic activity due to massive lockdown. Before the **Corona Virus** outbreak, RBI and the government took several measures to support NBFCs since August 2019, especially after credit crisis and confidence crisis in the NBFC sector, due to default by some major financial institutions in Infra sector. The COVID-19 pandemic clipped the recovery. Small and medium-sized NBFCs are most at risk due to the disruption caused by the COVID-19 outbreak. The central bank has sought to cushion borrowers and lenders against the **Corona Virus** outbreak effect, allowing companies a six-month grace period on loan repayments. In last 2 months, several measures have been taken by RBI and Finance Ministry to boost liquidity and economy as follows:

#### **MEASURES TAKEN BY RBI**

- **Repo Rate and Reverse Repo rate**- Significant reduction of repo rate by 75 bps in March and further by 40 bps in May to 4%. Similarly, the reverse repo rate has also been reduced to 3.35%
- **CRR**- Reduction of Cash Reserve Ratio (CRR) by 1%, to 3% applicable from March 28, to inject 1,37,000 crore.
- **Loan Moratorium**- In March, RBI Governor announced that lenders could give a moratorium of 3 months from March 2020 to May 2020 which was further extended by 3 months in May 2020 from June 2020 to August 2020 on repayment of all term loans. Those accounts that have availed the moratorium facility, the period of moratorium will be excluded from the 90-day NPA classification norms of the RBI.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal control is the general responsibility of all members in an organization. However, the following three groups have specific responsibilities regarding the internal control structure.

- Management holds ultimate responsibility for establishing and maintaining an effective internal control structure. Through leadership and example, management demonstrates
- Ethical behavior and integrity within the company.
- The board of directors provides guidance to management. Because board members have a working knowledge of the functions of the company, they help shield the company from managers who try to override some control procedures for dishonest purposes. Often, an efficient board that has access to the company's internal auditors can discover such fraud.
- Auditors within the organization evaluate the effectiveness of the internal control structure and determine whether company policies and procedures are being followed. All employees are part of a communications network that enables an internal control structure to work effectively.
- Although company has in place technology based operational control methods and systems. The Company's internal control infrastructure is well managed by a highly competent team to ensure efficiency in business operations and safeguarding the company's assets. Internal Audits are conducted at regular intervals to provide assurance to management that the transactions are carried out as per set policies & processes.

## **HUMAN RESOURCE CAPITAL**

The Company is focused on creating a competitive and cordial working environment and strengthens the talent pool by providing employees with career enhancement opportunities. The underlying principal of its human resource strategy is induction of right talent at right time,

## **CAUTIONARY STATEMENT**

This document contains statements about expected future events, financial and operating results of Sulabh Engineers and Services Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward- looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward- looking statements. As the Company's operations are affected by many external and internal factors, which are beyond the control of the management hence actual results may be different from those expressed or implied. Company is not under any obligation to amend, modify or revise any statement in future on the basis of subsequent developments, information or events.

## **ANNEXURE- E**

### **Form AOC-1**

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

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

Part "A": Subsidiaries

<b>S. L. No.</b>	<b>Particulars</b>	<b>Sl. No.-01</b>
01	Name	Rodic Coffee Estates Pvt. Ltd.
02	Reporting Period	01.04.2019-31.03.2020
03	Reporting Currency	INR
04	Share Capital	50000000
05	Reserves & Surplus	92001000.00
06	Total Assets	235426000.00
07	Total Liabilities	235426000.70
08	Investments	NIL
09	Turnover	32467000.00
10	Profit before Taxation	17739000.00
11	Provision for Taxation	0.00
12	Profit after Taxation	17739000.00
13	Proposed Dividend	Nil
14	% of Shareholding	51.00 %

#### **Notes**

**1** Names of subsidiaries which are yet to commence operations: **NIL**

**2** Names of subsidiaries which have been liquidated or sold during the year: **NIL**

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

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: **Not Applicable**



**ANNEXURE- G**

**Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:  
No Such Transactions taken place during the year under review.**

- (a) Name(s) of the related party and nature of relationship: - NA
- (b) Nature of contracts/arrangements/transactions: - NA
- (c) Duration of the contracts / arrangements/transactions: - NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
- NA
- (e) Justification for entering into such contracts or arrangements or transactions - NA
- (f) Date(s) of approval by the Board: - NA
- (g) Amount paid as advances, if any: - NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: - NA

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship:

**Rodic Coffee Estates Private Limited**  
(It is a subsidiary of Sulabh Engineers and Services Limited)

- (b) Nature of contracts/arrangements/transactions: **Loan to subsidiary Company**

(c) Salient terms of the contracts or arrangements or transactions including the value, if any:

**An amount of Rs. 48009081.00 as Unsecured Loan has been sanctioned to subsidiary company upon terms and conditions mentioned in the sanction letter.**

(d) Date(s) of approval by the Board, if any:

**03.08.2017**

(e) Amount paid as advances, if any:

**N.A**

On behalf of the Board of Directors  
**For Sulabh Engineers and Services Limited**

-Sd-  
**(Manoj Kumar Agarwal)**  
Whole time Director

## **REPORT ON CORPORATE GOVERNANCE**

The detailed report on Corporate Governance for the financial year ended March 31, 2019, as per the disclosure requirements prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is all about ethical conduct, integrity and accountability of an enterprise. It is one of the key elements in improving the economic efficiency of the enterprise.

We at Sulabh Engineers consider it our utmost responsibility to disclose timely and accurate information regarding our performance as well as the leadership and governance of the Company. The Company believes that good Corporate Governance is a continuous process and endeavors to improve the Corporate Governance practices to meet shareholder's expectations. Company has complied with the requirements of Corporate Governance as laid down under the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI directions.

Company has also adopted various codes and policies in to ensure good governance. Some of them are:

- i. Code of Conduct for the Board and Senior Managerial Personnel;
- ii. Whistle Blower Policy;
- iii. Nomination & Remuneration Policy;
- iv. Board Evaluation Policy;
- v. Fair Practice Code;
- vi. Code for regulating, monitoring and reporting of Trading by Insiders;
- vii. Policy on Related Party Transactions;
- viii. Policy on Material Subsidiaries;
- ix. Documents preservation and archival Policy; and
- x. Policy for determining material events and information

### **2. BOARD OF DIRECTORS**

The Board of Directors of the company has an optimum combination of executive and non-executive directors with two women directors.

The Board of the Company comprises of five Directors having Three Directors as independent Directors, one Director as Promoter executive Director and one Director as executive women Director as follows:

<b>SL NO.</b>	<b>NAME</b>	<b>DESIGNATION</b>	<b>REMARKS</b>
1.	Mr. Manoj Kumar Agarwal	Whole Time Director/Promoter	
2.	Mrs. Seema Mittal	Woman Director and Chief Financial Officer	
3.	Mr. Deepak Agarwal	Independent Director	
4.	Mr. Rakesh Chand Agarwal	Independent Director	
5.	Mr. Vijay Kumar Jain	Independent Director	

## DIRECTORS' PROFILE

A brief resume of Directors, experience and other details are provided in the Annual Report.

## NUMBER OF BOARD MEETINGS

During the year the Board met 05 times on 30/04/2019, 28/05/2019, 10/08/2019, 13/11/2019, 13/02/2020 and the maximum gap between two board meetings was not more than 4 months.

## DIRECTORS ATTENDANCE RECORD & DIRECTORSHIP HELD

The Composition and category of the Directors on the Board, and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of Directorship and Committee Membership/Chairmanship as on 31<sup>st</sup> March, 2020 are as follows:

Name of Director	DIN	Category of Directorship	No. of Board Meeting held	No. of Board Meeting attended	Last AGM Attended	Other Directorship	Committee Position		Share holding (No of Shares)
							Chairman	Member	
Mr. Manoj Kumar Agarwal	01767926	Executive Director/Promoter	05	04	YES	06	NIL	02	292500
Mrs. Seema Mittal	06948908	Executive Director	05	04	NO	NIL	NIL	01	NIL
Mr. Deepak Agarwal	02247228	Independent Director	05	01	NO	NIL	01	01	NIL
Mr. Rakesh Chand Agarwal	03539915	Independent Director	05	05	NO	1	02	01	NIL
Mr. Vijay Kumar Jain	08208856	Independent Director	05	02	NO	1	NIL	01	NIL

## MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met once on March 19, 2020, *inter alia*, to:

- I. Evaluate the performance of non-independent directors and the Board as a whole;
- II. Evaluate the quality, quantity and timelines of flow of information between the executive management and the Board.

The suggestions made at the meetings of the Independent Directors were communicated to the Executive Director for taking appropriate steps. All Independent Directors were present at the meeting.

## FAMILIARIZATION PROGRAM

At the time of appointment a formal letter is issued to the Director, which explains the roles, rights and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, The SEBI (LODR) Regulation 2015, Code of Conduct, Prohibition of Insider Trading Code, RBI directions and other relevant regulations.

The Independent Directors of the Company are given opportunity to familiarize themselves with the Company, its management and operations so as to understand the Company.

The details of the familiarization program for Independent Directors has been uploaded on the Company's website i.e. on [www.sulabh.org.in](http://www.sulabh.org.in).

### 3. COMMITTEES OF THE BOARD

#### A. AUDIT COMMITTEE

The Company has constituted a well qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 as also in fulfillment of the requirements of Regulations 18 of The SEBI (LODR). The Primary objective of the Audit Committee is to Monitor and provide effective supervision of the Management's financial reporting process with a view to ensure accurate , timely and proper disclosure and transparency, integrity and quality of financial reporting.

Brief descriptions of Terms of reference are as under:

- I. Review of financial statements before they are submitted to the Board for adoption;
- II. Recommending the appointment or removal of statutory auditors, fixation of audit fees, terms of auditors, and approval for payment for other services provided by the Auditors;
- III. Review of quarterly , half Yearly and yearly financial statements and Audit Report before they are presented to the Board , focusing inte- alia upon:
  - Accounting Policies and any changes thereto;
  - Ensuring Compliance with the Accounting Standards
  - Compliance with the Laws, rules, regulations and notification issued by the Stock Exchange and other regulatory authorities relating to the Preparation and disclosure of financial Statements;
  - Significant issues arising out of Audit:
  - The Going concern assumption;
  - Major accounting entries based upon exercise of judgment by the management;
  - Any related party transactions i.e. transactions of the Company of Material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with interest of the Company at large
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board ' s Report in term of clause ( c ) of Sub- section 3 of section 314 of the Companies Act, 2013
- IV. Review with the management and auditors the adequacy of internal control systems;
- V. Discussions with the Statutory Auditors before commencement of the Audit, nature and scope of audit, as well as post audit discussion to ascertain any area of concern;
- VI. Review of the Company's financial and risk management policies;  
Examine reasons for default in payment of interest and repayment of principal amounts to depositors and debenture holders, payment of dividend, payments to creditors and payment of all statutory dues in the prescribed time period;
- VII. Investigating the reasons for substantial defaults, if any, in the payments to the depositors, shareholders (in case of non- payment of declared dividends) and creditors;
- VIII. Review and monitor auditor's independence and performance and effectiveness of the audit process;
- IX. Scrutiny of inter corporate loans & investments;
- X. Valuation of undertaking and assets;
- XI. Monitoring of end use of funds of the public offers;
- XII. Audit Committee to call for comments of the Auditors about internal control systems, scope of audit including the observations of the auditors and review of the financial statements before submission to the board;
- XIII. Adequate safeguards against victimization of person who use vigil Mechanism and make provision for direct access to the CEO/Chairman of the Audit Committee in appropriate or exceptional cases;

- XIV. Authority to investigate into any matter in relation to the items specified above or referred to it by the board and for this purpose the Audit Committee to have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- XV. Approval of appointment of CFO (i.e. the whole-time Finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- XVI. Any other terms of references as may be included from time to time as per the SEBI (LODR) Regulations 2015;

#### **Composition, Name of Member and Chairman**

The Audit Committee comprises of:

<b>Sr.No.</b>	<b>Name</b>	<b>Category</b>	<b>Designation</b>
1.	Mr. Deepak Agarwal	Independent	Chairman
2.	Mr. Rakesh Chand Agarwal	Independent	Member
3.	Mr. Manoj Kumar Agarwal	Non- Independent	Member

- The Company Secretary acts as Secretary to the Committee.
- The Internal Auditor reports directly to the Audit Committee.

#### **Meetings of the Audit Committee**

4 (four) Audit Committee were held on **May 28, 2019, August 09, 2019, November 13, 2019, and February 13, 2020**. During The Financial Year and the Gap between does not exceed one Hundred and Twenty days.

The Composition of the Audit Committee and the Details of Meetings attended by its members are given Below:

<b>Name</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Meetings</b>	
			<b>Held</b>	<b>Attended</b>
Mr. Deepak Agarwal	Independent	Chairman	04	04
Mr. Rakesh Chand Agarwal	Independent	Member	04	04
Mr. Manoj Kumar Agarwal	Non-Independent	Member	04	02

#### **B. NOMINATION & REMUNERATION COMMITTEE**

The Nomination and remuneration Committee's (N & RC) Constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015

#### **Brief descriptions of terms of reference of the N&RC are as under:**

- a) To identify and recommend to the Board appointment and removal of directors, Key managerial Personnel and Core Management Team;
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- c) To recommend to the Board on remuneration payable to the Directors, Key managerial Personnel and Core Management Team:

### Composition, Name of Members and Chairman

SL No.	Name	Category	Designation
1.	Mr. Rakesh Chand Agarwal	Independent	Chairman
2.	Mr. Deepak Agarwal	Independent	Member
3.	Mr. Vijay Kumar Jain	Independent	Member

### Meetings of Nomination and Remuneration Committee

The Nomination and Remuneration Committee met twice during the year on April 27, 2019, and May 28, 2019.

SL No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. Rakesh Chand Agarwal	Independent	Chairman	02	02
2.	Mr. Deepak Agarwal	Independent	Member	02	01
3.	Mr. Vijay Kumar Jain	Independent	Member	02	00

### Nomination and Remuneration Policy

In terms of the Section 178 of the Companies Act, 2013 and the Regulation 19 of the SEBI (LODR) the Remuneration Policy on nomination and Remuneration of Directors, key managerial Personnel and Senior Management of the Company had been formulated by the N&RC of the Company and approved by the Board of Directors. The N&RC has designed the Remuneration policy in order to attract, motivate and retain the executive talent needed to achieve superior performance in a competitive Market. The Policy is annexed to this Report.

### Remuneration to the Directors

The details of sitting fees/remuneration paid to Directors during the FY 2019-20, are as under:

SL NO	Name and designation	Salary	Other Benefits	Total
1.	Mr. Manoj Kumar Agarwal Whole Time Director	Nil	Nil	Nil
2.	Mr. Deepak Agarwal Independent Director	Nil	Nil	Nil
3.	Mr. Rakesh Chand Agarwal Independent Director	Nil	Nil	Nil
4.	Mrs. Seema Mittal CFO cum Director	Rs.180000/-	Nil	Rs.180000/-
5.	Mr. Vijay Kumar Jain	Nil	Nil	Nil

There were no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company.

### Performance Evaluation of the Board, Directors and Committees of the Board

The Company has devised Board Evaluation Policy as to carry out annual performance evaluation of the Independent Directors, Board, Committees and other individual Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors.

### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Composition and Terms of Reference of the Stakeholder's Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Brief descriptions of terms of reference are as under:**

- a) Considering and resolving grievances of shareholder's, debenture holders and other security holders;
- b) Redressal of grievances of the security holders of our Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of our Company etc.;
- c) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- d) Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
- e) Overseeing requests for dematerialization and rematerialization of Equity Shares; and
- f) Carrying out any other function contained in the Equity Listing Agreement to be entered into between the Company and the stock exchange as and when amended from time to time.

#### **Composition, Name of Members and Chairman**

SI No.	Name	Category	Designation
1.	Mr. Rakesh Chand Agarwal	Independent	Chairman
2.	Mr. Manoj Kumar Agarwal	Non-Independent	Member
3.	Mrs. Seema Mittal	Non-Independent	Member

#### **Meetings of the Stakeholder's Relationship Committee**

The Committee met one time during the year on April 27, 2019.

SI No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. Rakesh Chand Agarwal	Independent	Chairman	01	01
2.	Mr. Manoj Kumar Agarwal	Non-Independent	Member	01	01
3.	Mrs. Seema Mittal	Non-Independent	Member	01	01

#### **Investor Grievance Redressal**

As required under Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Details of complaints received from complainants' complaints resolved as pending for consideration'

- Number of shareholders' complaints received so far- NIL
- Number not solved to the satisfaction of shareholders – Nil
- Number of pending complaints – Nil

#### **4. GENERAL BODY MEETINGS**

Details regarding the last three Annual General Meetings are as follows:

Financial year	Date of Meeting	Venue of Meeting	Timing of Meeting
2016-2017	27/09/2017	206, 2 <sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society Ltd., R .K. Singh Marg Parsi Panchayat Road, Andheri (East), Mumbai-400069	03:00 P.M.



2017-2018	26/09/2018	206, 2 <sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society Ltd., R .K. Singh Marg Parsi Panchayat Road,Andheri (East),Mumbai-400069	03:00 P.M.
2018-2019	28/09/2019	206, 2 <sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society Ltd., R .K. Singh Marg Parsi Panchayat Road,Andheri (East),Mumbai-400069	02:00P.M.

#### Details of special resolution in the last three AGM/EGM

During the year 2016-17, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company passed the following two Special Resolutions by postal ballot:

Sl. No.	Special Resolutions	Votes cast in favour of resolution		Votes cast against the resolution		Date of declaration of result
		No.	%	No.	%	
1	Alteration of object Clause in the Memorandum of Association	38305303	100	NIL	0	16 September 2016
2	Adoption Of New Set Of_ Articles Of association of The Company	38305303	100	NIL	0	16 September 2016

## 5. DISCLOSURES

### i. Related Party Transactions

During the Financial Year 2019-20, Company has not entered into any material transactions with any of the related parties. The related parties transactions entered into with the related parties as defined under Companies Act, 2013 and regulation 23 of SEBI (LODR) .The Board had already approved a policy for related party transactions which has been uploaded on the Company's website i.e. on [www.sulabh.org.in](http://www.sulabh.org.in). The related Party transactions entered by the Company have been clearly identified In Note No. 4.3 & Note No. 4.3 (Standalone and Consolidated) respectively in the balance sheet section Annexed to this report.

### ii. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three years.

### iii. Whistle Blower Policy

The Board of Directors has formulated a Whistleblower Policy/ Vigil Mechanism in compliance with the Provisions of Section 177(10) of the Act and Regulation 22 of SEBI (LODR) and is also available on the Company's Website: [www.sulabh.org.in](http://www.sulabh.org.in). The employee can approach directly report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

### iv. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

CS Gopesh Sahu Practicing Company Secretary issue certificate that none of the Director on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Attached as "Annexure H"

## v. Code of Conduct

Company has adopted a Code of Conduct for all the designated Employees including the Board Members in accordance with the Requirement under Regulation 17 of SEBI (LODR). The Code of Conduct has been posted on Company website: [www.sulabh.org.in](http://www.sulabh.org.in)

## MEANS OF COMMUNICATION

**Financial Results:** The Company has timely published its Quarterly/Half Yearly results and other notices as required to be published in the newspapers in widely circulating national and local newspapers, such as The Business Standard in English and Apla Maharashtra in Marathi.

**Website:** The Company's website: [www.sulabh.org.in](http://www.sulabh.org.in) contains a separate section Investor relations' where shareholders information is available. The Company's Financial Results and Annual Reports are also available on the company's website.

**BSE Corporate Compliance & Listing Centre (the 'Listing centre'):** BSE's Listing centre web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report and others are also filed electronically on the Listing centre. The company is regular in posting its shareholding Pattern, Corporate Governance Report and corporate Announcements electronically at <https://listing.bseindia.com>.

## 8. GENERAL SHAREHOLDER INFORMATION

### I. Annual General Meeting:

- Day: Tuesday
- Date: 29/09/2019
- Time: 02:00 P.M.
- Mode: Video Conferencing/Other Audio Visual Means  
(VC/OAVM)

### II. Financial Year

- The Financial year of the Company starts from April 1 of every year to March 31 of the Next Year.

### III. Date of Book closure:

- The Books will remain closed from Tuesday, September 22, 2020 to Tuesday, September 29, 2020.

### IV. Dividend payment date:

- N/A
- The Directors of the company are of the opinion not to declare dividend for the financial year.

### V. Listing on Stock Exchange:

- The Equity shares of the Company are listed at BSE Limited, Mumbai

### VI. Stock Code and other related information:

BSE LIMITED	ISIN	CIN
508969	INE673M01029	L28920MH1983PLC029879

### VII. Marker Price:

Month	High (Rs)	Low (Rs)
April 2019	0.87	0.69
May 2019	0.83	0.68
June 2019	0.92	0.80
July 2019	1.08	0.92

August 2019	1.47	1.03
September 2019	1.45	1.32
October 2019	1.26	1.19
November 2019	1.14	0.70
December 2019	0.70	0.57
January 2020	0.59	0.46
February 2020	0.60	0.46
March 2020	0.72	0.63

#### **VIII. Registrar and Transfer Agent:**

##### **M/S Skyline Financial Services Private Limited**

D-153-A, 1<sup>st</sup> floor, Okhla Industrial Area,  
Phase I, New Delhi- 110020

#### **IX. Compliance Officer**

Mr. Siddharth Dwivedi, has been appointed as the Company Secretary and Compliance Officer appointed by the Board. He can be contacted for any investor related matter relating to the Company. The contact no. is: +91-512-231126, and e-mail id is "sulabhinvestorscell@gmail.com".

#### **X. Share Transfer System:**

The Company has provided a common agency regarding the Share Registration and Transfer by our Registrar And Transfer Agent i.e. Skyline Financial Services Private Limited, New Delhi within a period of 15 days from the date of receiving, subject to the validity and completeness of documents in all respect. Distribution of shareholding:

Shareholding pattern of the Company as on 31<sup>st</sup> March 2020

<b>Category</b>	<b>No. of Shares</b>	<b>% of Holding</b>
<b>A) Promoters Holding</b>		
Individuals	22683437	22.58
Bodies Corporate	3000000	02.99
<b>Sub-Total (A)</b>	<b>25683437</b>	<b>25.56</b>
<b>B) Non-Promoters Holding</b>		
Bodies Corporate	23346332	23.22
Individuals	46596972	46.38
HUF	4801220	04.78
Non Resident Indians	15177	0.01
Trust	18400	0.02
Clearing Members/House	10462	0.01
IEPF	3000	0.00
<b>Sub-Total(B)</b>	<b>74791563</b>	<b>74.42</b>
<b>Grand Total(A+B)</b>	<b>100475000</b>	<b>100.00</b>

**Nominal Value of Each Share: Re.1/-**

<b>Share or Debenture holding Nominal Value</b>	<b>Number of Shareholders</b>	<b>% to Total Numbers</b>	<b>Share or Debenture holding Amount</b>	<b>% to Total Amount</b>
<b>(Rs.)</b>			<b>(Rs.)</b>	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Up To 5,000	609	60	593377	0.59
5001 To 10,000	107	10.54	873406	0.87
10001 To 20,000	73	7.19	1081370	1.08
20001 To 30,000	46	4.53	1156864	1.15
30001 To 40,000	18	1.77	642373	0.64
40001 To 50,000	18	1.77	812438	0.81
50001 To 1,00,000	37	3.65	2732715	2.72
1,00,000 and Above	107	10.54	92582457	92.14
<b>Total</b>	<b>1015</b>	<b>100</b>	<b>100475000</b>	<b>100</b>

**XI. Dematerialization of Shares and Liquidity:**

- 99.69% of the shares of Company are in dematerialized form.

**XII. Address for correspondence:**

- Regd Office- 206, 2<sup>nd</sup> Floor, Apollo Complex Premises  
Cooperative Society Ltd., R .K. Singh Marg office, Parsi Panchayat Road,  
Andheri (East), Mumbai-400069
- Corporate Office 17/11 The Mall, Kanpur 208001

**XIII. CEO/CFO Certification:**

- In terms of the requirements of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO have submitted necessary certificate to the Board at its meeting held on 27/07/2020 stating the particulars specified under the said clause.

**CORPORATE SOCIAL RESPONSIBILITY**

As mentioned in the last year's Annual report also, The Company is consistently taking initiatives for implementation of "Green Initiative" in the corporate governance for allowing paperless compliances as per the circular no.17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate affairs and to facilitate its member by providing all the information relating to notices of Shareholder Meetings, Annual Report of the Company by e-mail. In this regard stakeholders are requested to register their e-mail ID with the company. The Company has taken various initiatives on promoting social welfare.

## Annexure-H

**CS GOPESH SAHU**  
Practicing Company Secretary

Off: 205-A, Anand Tower  
117/K/13, Sarvodaya Nagar  
Kanpur, UP -208025  
0512-2505455, 9450338010  
Email: [csgopesh@gmail.com](mailto:csgopesh@gmail.com)

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

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

To,  
The Members of  
**SULABH ENGINEERS AND SERVICES LIMITED**  
206, 2ndFloor, Apollo Complex Premises Coop Society,  
RK Singh Marg,Parsi Panchyat Road,  
Andheri Mumbai-400069

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SULABH ENGINEERS AND SERVICES LIMITED** (CIN : **L28920MH1983PLC029879**) and having registered office at 206, 2ndFloor,Apollo Complex Premises Coop Society, RK Singh Marg, Parsi Panchyat Road, Andheri Mumbai-400069 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Date of appointment
1	MANOJ KUMAR AGARWAL	01767926	17/01/2011
2	DEEPAK AGARWAL	02247228	19/05/2018
3	RAKESH CHAND AGARWAL	03539915	02/07/2011
4	SEEMA MITTAL	06948908	26/09/2014
5	VIJAY KUMAR JAIN	08208856	28/05/2019

**CS GOPESH SAHU**  
**Practicing Company Secretary**

**Off: 205-A, Anand Tower**  
**117/K/13, Sarvodaya Nagar**  
**Kanpur, UP -208025**  
**0512-2505455, 9450338010**  
**Email: [csgopesh@gmail.com](mailto:csgopesh@gmail.com)**

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

**For CS GOPESH SAHU**  
**Company Secretary**

**Place: Kanpur**  
**Date: 08<sup>th</sup> August, 2020**

**Proprietor**  
**FCS: 7100,**  
**CP: 7800**



**SUNIL SONI & CO.**

Chartered Accountants

# 11B/4,Indians Airlines Colony, Kalina Santacruz(East), Mumbai –400029, India.

Phone: 91-22-26655910/Cell: 9702512000, 9869021550.

mail:sunil.kumar.soni.ca@icai.org

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

**Sulabh Engineers and Services Limited**

We have examined the companies of conditions of Corporate Governance by Sulabh Engineers and Services Ltd, for the year ended on 31<sup>st</sup> March 2020, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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.

In our opinion and to the best of our information and according to the explanation given to us and representations made by the management, we certify that the Company has complied with the condition of Corporate Governance as Stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange.

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

For SUNIL SONI & CO.

Chartered Accountants

Sd/-

(CA.Sunil Soni)

Proprietor

M.No.-123634

FRN-129161W

Date: July 27<sup>th</sup> 2020

Place: Mumbai

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

**Independent Auditor's Report**

To the Members of  
**SULABH ENGINEERS & SERVICES LIMITED**

**Report on the Audit of the Standalone Financial**

**Statements Opinion**

We have audited the accompanying standalone financial statements of SULABH ENGINEERS & SERVICES LIMITED ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2020 , and the standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 , the profit and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
(a) Transition to IND AS accounting framework	<ul style="list-style-type: none"><li>• Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework.</li><li>• Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities as its transition date.</li></ul>



**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

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

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The standalone Balance Sheet as at 31st March 2020 , and the standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**(Firm RegistrationNo.:129161W)**

**Sunil Soni**  
**Proprietor**  
**Membership No.:123634**

**Place : MUMBAI**  
**Date : 27/07/2020**

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

**Annexure - A to the Auditors' Report**

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

i. In respect of its fixed assets :

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, at present no immovable property is owned by the Company. Accordingly, clause (c) of paragraph 3 (i) of the Order is not applicable.

ii. The Company is a Non-Banking Financial Company(NBFC) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending and related activities and does not hold any physical inventories during the year. Therefore, provision of clause (ii) of paragraph 3 of the Order is not applicable to the Company.

iii. As per the records produced before us and explanations given to us, the Company has not granted any loans, secured and unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore, the relevant provisions of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to loans and investments made.

v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act , 2013 , therefore , the relevant provisions of the Order are not applicable to the Company.

vi. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 in respect of business activities of the Company.

vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable;

(b) The details of disputed statutory dues, which have not been deposited by the Company, are NIL.

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is a Non-banking Financial Company (NBFC) registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**(Firm RegistrationNo.:129161W)**

**Sunil Soni**  
**Proprietor**  
**Membership No.:123634**

Place : MUMBAI  
Date : 27/07/2020

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

**Annexure-B to the Auditor's Report**

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

**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 SULABH ENGINEERS & SERVICES LIMITED ("the Company") as of 31 March, 2020 in the conjunction with our audit of standalone financial statements of the company for the year ended on that date.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard 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 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 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 system 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 the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the 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.

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

**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 period 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 31 March 2020 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**(Firm RegistrationNo.:129161W)**

**Sunil Soni**  
**Proprietor**  
**Membership No.:123634**

**Place : MUMBAI**  
**Date : 27/07/2020**

## Balance Sheet

(Rs. In Lakhs)

Particulars	Note No	As at 31 March		As at 1 April
		2020	2019	2018
<b>ASSETS</b>				
<b>1) Financial Assets</b>				
(a) Cash and cash equivalents	2.1	8.20	55.43	47.23
(b) Bank Balance other than (a) above		-	-	-
(c) Receivables		-	-	-
(d) Loans	2.2	1,268.53	1,320.13	1,342.56
(e) Investments	2.3	555.05	586.79	532.84
(f) Other Financial assets	2.4	26.92	6.09	14.94
		<b>1,858.70</b>	<b>1,968.44</b>	<b>1,937.57</b>
<b>2) Non-financial Assets</b>				
(a) Deferred tax Assets (Net)	2.5	7.29	-	-
(b) Biological assets other than bearer plants		-	-	-
(c) Property, Plant and Equipment	2.6	352.54	321.33	322.65
(d) Other non-financial assets	2.7	200.45	90.56	90.56
		<b>560.28</b>	<b>411.89</b>	<b>413.21</b>
<b>Total Assets</b>		<b>2,418.98</b>	<b>2,380.33</b>	<b>2,350.78</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1) Financial Liabilities</b>				
(a) Payables	2.8			
(i) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		1.23	2.26	6.36
		<b>1.23</b>	<b>2.26</b>	<b>6.36</b>
<b>2) Non-Financial Liabilities</b>				
(a) Current tax liabilities (Net)		8.10	-	15.00
(b) Provisions	2.9	5.30	5.30	5.38
(c) Deferred tax liabilities (Net)	2.5	-	2.49	2.02
		<b>13.40</b>	<b>7.79</b>	<b>22.40</b>
<b>3) EQUITY</b>				
(a) Equity Share capital	2.10	1,004.75	1,004.75	1,004.75
(b) Other Equity	2.11	1,399.60	1,365.53	1,317.27
		<b>2,404.35</b>	<b>2,370.28</b>	<b>2,322.02</b>
<b>Total Liabilities and Equity</b>		<b>2,418.98</b>	<b>2,380.33</b>	<b>2,350.78</b>

## Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sunil Soni &amp; Co.

Chartered Accountants

FRN : 129161W

CA Sunil Soni

Proprietor

Membership No. : 123634

Mumbai, July 27, 2020

For and on behalf of Board of Directors

Manoj Kumar Agarwal

Director

DIN: 01767926

Rakesh Chand Agarwal

Director

DIN: 03539915

CFO  
Seema MittalCompany Secretary  
Siddharth Dwivedi



## Statement of profit and loss

Particulars	Note No	For the year ended 31 March	
		2020	2019
<b>Revenue from operations</b>			
Interest Income	3.1	81.20	53.84
Net gain on fair value changes	3.2	-23.67	15.31
Other operative income	3.3	-	1.01
<b>Total Revenue from operations</b>		<b>57.53</b>	<b>70.16</b>
Other Income (to be specified)	3.4	-	2.35
<b>Total Income</b>		<b>57.53</b>	<b>72.51</b>
<b>Expenses</b>			
Finance Costs	3.5	0.20	0.10
Impairment on financial instruments	3.6	0.65	0.58
Employee Benefits Expenses	3.7	6.67	6.86
Depreciation, amortization and impairment	2.6	2.90	0.31
Others expenses	3.8	14.72	16.73
<b>Total Expenses</b>		<b>25.14</b>	<b>24.58</b>
<b>Profit/(loss) before tax</b>		<b>32.39</b>	<b>47.93</b>
Tax Expense:			
(1) Current Tax	2.5	8.10	-0.81
(2) Deferred Tax		-9.78	0.47
<b>Profit/(loss) for the year</b>		<b>34.07</b>	<b>48.26</b>
<b>Other Comprehensive Income</b>	3.9		
(A) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>34.07</b>	<b>48.26</b>
<b>Earnings per equity share (for continuing and discontinued operations)</b>	3.10		
Basic (Rs.)		0.03	0.05
Diluted (Rs.)		0.03	0.05

## Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Sunil Soni & Co.**  
Chartered Accountants  
FRN : 129161W

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

CA Sunil Soni  
Proprietor  
Membership No. : 123634  
Mumbai, July 27, 2020

Manoj Kumar Agarwal  
Director  
DIN: 01767926

Rakesh Chand Agarwal  
Director  
DIN: 03539915

CFO  
Seema Mittal

Company Secretary  
Siddharth Dwivedi

## Statement of Changes in Equity

## Equity share capital

Particulars	Rs in Lakhs	
	For the year ended 31 March 2020	2019
Balance at the beginning of the year	1,004.75	1,004.75
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,004.75	1,004.75

## Other Equity

Particulars	Reserves and surplus				Other comprehensive income	Total other equity
	Securities Premium	Retained earnings	Reserve fund as per RBI Act	General reserve		
<b>For the year ended 31 March 2020</b>						
Balance as at 31 March 2019	980.00	301.48	60.04	24.01	-	1,365.53
Profit after tax	-	34.07	-	-	-	34.07
Other comprehensive income (net of tax)	-	-	-	-	-	-
	980.00	335.55	60.04	24.01	-	1,399.60
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-6.81	6.81	-	-	-
Others	-	-	-	-	-	-
	-	-6.81	6.81	-	-	-
Balance as at 31 March 2020	980.00	328.74	66.85	24.01	-	1,399.60
<b>For the year ended 31 March 2019</b>						
Balance as at 31 March 2018	980.00	259.95	53.30	24.01	-	1,317.27
Profit after tax	-	48.26	-	-	-	48.26
Other comprehensive income (net of tax)	-	-	-	-	-	-
	980.00	308.22	53.30	24.01	-	1,365.53
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-6.74	6.74	-	-	-
Others	-	-	-	-	-	-
	-	-6.74	6.74	-	-	-
Balance as at 31 March 2019	980.00	301.48	60.04	24.01	-	1,365.53

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sunil Soni & Co.

Chartered Accountants

FRN : 129161W

CA Sunil Soni

Proprietor

Membership No. : 123634

Mumbai, July 27, 2020

For and on behalf of Board of Directors

Manoj Kumar Agarwal

Director

DIN: 01767926

Rakesh Chand Agarwal

Director

DIN: 03539915

CFO  
Seema Mittal

Company Secretary  
Siddharth Dwivedi

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

**2.1 Cash and cash equivalents**

Particulars	(Rs. In Lakhs)		
	As at 31 March		As at 1 April
	2020	2019	2018
Cash on hand	6.04	2.54	4.54
Balance with banks:			
In current account	2.16	52.89	42.70
In fixed deposits account (with original maturity of 3 months or less)	-	-	-
	<b>8.20</b>	<b>55.43</b>	<b>47.23</b>

**2.2 Loans**

Particulars	(Rs. In Lakhs)		
	As at 31 March		As at 1 April
	2020	2019	2018
<b>At amortised cost</b>			
Loans repayable on demand - unsecured	794.22	675.16	259.70
Loans to subsidiary	480.09	650.09	1,087.40
Less: Impairment loss allowance	5.78	5.13	4.54
<b>Total</b>	<b>1,268.53</b>	<b>1,320.13</b>	<b>1,342.56</b>
Others - unsecured	-	-	-
Less: Impairment loss allowance	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Loans	1,274.31	1,325.25	1,347.10
Less: Impairment loss allowance	5.78	5.13	4.54
<b>Total Loans</b>	<b>1,268.53</b>	<b>1,320.13</b>	<b>1,342.56</b>
Out of the above			
Loans in India			
(i) Public Sector	-	-	-
(ii) Others	1,274.31	1,325.25	1,347.10
Total	1,274.31	1,325.25	1,347.10
Less: Impairment loss allowance	5.78	5.13	4.54
	<b>1,268.53</b>	<b>1,320.13</b>	<b>1,342.56</b>

**Loans**

**a) Credit quality of assets**

The table below shows year-end stage wise risk classification. The amounts presented are gross of impairment allowances.

**b) Analysis of change in the gross carrying amount of loans**

Particulars	Year ended 31 March 2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	1,308.31	16.94	-	1,325.25
New disbursements	194.00	-	-	194.00
Assets derecognised	(7.78)	-	-	(7.78)
Other movements including partial repayments and interest accr	(237.45)	0.29	-	(237.16)
<b>Closing Balance</b>	<b>1,257.07</b>	<b>17.24</b>	<b>-</b>	<b>1,274.31</b>

Particulars	Year ended 31 March 2019			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	1,330.24	16.86	-	1,347.10
New disbursements	497.75	-	-	497.75
Assets derecognised	-	-	-	-
Other movements including partial repayments and interest accr	(519.68)	0.09	-	(519.60)
<b>Closing Balance</b>	<b>1,308.31</b>	<b>16.94</b>	<b>-</b>	<b>1,325.25</b>

**c) Reconciliation of ECL balance**

Particulars	Year ended 31 March 2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	4.12	1.01	-	5.13
New disbursements & Other movements	0.64	0.02	-	0.65
Assets derecognised	-	-	-	-
<b>Closing Balance</b>	<b>4.76</b>	<b>1.02</b>	<b>-</b>	<b>5.78</b>

Particulars	Year ended 31 March 2019			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	4.19	0.35	-	4.54
New disbursements & Other movements	(0.07)	0.65	-	0.58
Assets derecognised	-	-	-	-
<b>Closing Balance</b>	<b>4.12</b>	<b>1.01</b>	<b>-</b>	<b>5.13</b>

**2.3 Investments**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Investments in equity instruments</b>			
<b>At Deemed cost</b>			
(i) In subsidiary - Roddic Coffee Estates Private Limited	255.00	255.00	255.00
	<b>255.00</b>	<b>255.00</b>	<b>255.00</b>
<b>At fair value through profit or loss</b>			
(i) In mutual funds	283.91	291.99	253.34
Add: Fair value gains / (losses)	6.26	31.00	16.64
	<b>290.18</b>	<b>322.99</b>	<b>269.98</b>
(ii) In gold coins	5.71	5.71	5.71
Add: Fair value gains / (losses)	4.17	3.10	2.15
	<b>9.87</b>	<b>8.81</b>	<b>7.86</b>
<b>Total</b>	<b>555.05</b>	<b>586.79</b>	<b>532.84</b>
Out of the above			
In India	555.05	586.79	532.84
Outside India			
Total	<b>555.05</b>	<b>586.79</b>	<b>532.84</b>

**2.4 Other financial assets**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Advance tax and tax	17.63	4.59	12.52
Security deposit	1.50	1.50	1.50
Accrued Interest on loans	7.78	-	-
Advance to suppliers and others	-	-	0.92
Total	<b>26.92</b>	<b>6.09</b>	<b>14.94</b>

**2.5 Deferred tax assets (net)**

(Rs. In Lakhs)

**Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Profit before tax	32.39	47.93	75.92
Current tax expenses	8.10	(0.81)	15.05

**Deferred tax assets recorded in Balance Sheet**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Deferred tax relates to the following:			
<b>Deferred tax assets</b>			
Depreciation and amortization	1.17	1.34	1.68
Impairment of financial instruments	0.16	0.15	1.18
Unrealised net loss on fair value changes	5.96	-	-
Gross deferred tax assets	<b>7.29</b>	<b>1.49</b>	<b>2.87</b>
<b>Deferred tax liabilities</b>			
Unrealised net gain on fair value changes	-	3.98	4.89
Gross deferred tax liabilities	-	<b>3.98</b>	<b>4.89</b>
Deferred tax assets/(liabilities), net	<b>7.29</b>	<b>(2.49)</b>	<b>(2.02)</b>

**Changes in deferred tax assets recorded in profit or loss**

Particulars	As at 31 March	
	2020	2019
Deferred tax relates to the following:		
<b>Deferred tax assets</b>		
Depreciation and amortization	0.17	0.35
Impairment of financial instruments	(0.01)	1.03
Unrealised net loss on fair value changes	(5.96)	-
Unrealised net gain on fair value changes	(3.98)	(0.91)
	<b>(9.78)</b>	<b>0.47</b>

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

**2.7 Other non - financial assets**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
	` in lakhs		
Capital advances	200.45	90.56	90.56
<b>Total</b>	<b>200.45</b>	<b>90.56</b>	<b>90.56</b>

**2.8 Payables**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
	` in lakhs		
<b>(i) Other payable</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues creditots other than micro enterprises and small enterprises	1.23	2.26	6.36
<b>Total</b>	<b>1.23</b>	<b>2.26</b>	<b>6.36</b>

**2.9 Provisions**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
	` in lakhs		
Provisions retained for sale of non-performing assets as per RBI	5.30	5.30	5.38
<b>Total</b>	<b>5.30</b>	<b>5.30</b>	<b>5.38</b>

**2.10 Equity**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
	` in lakhs		
<b>Authorized</b>			
11,00,00,000 (11,00,00,000) equity shares of Rs. 1/- each	1,100.00	1,100.00	1,100.00
<b>Issued, subscribed and paid up</b>			
10,04,75,000 (10,04,75,000) equity shares of Rs. 1/- each	1,004.75	1,004.75	1,004.75

**(a) Reconciliation of shares outstanding at the beginning and at the end of the year**

Particulars	Numbers	` in lakhs
	Equity share capital issued, subscribed and fully paid-up	100,475,000
Add: issued during the year	-	-
<b>As at 1 April 2018</b>	<b>100,475,000</b>	<b>1,004.75</b>
As at 1 April 2018	100,475,000	1,004.75
Add: issued during the year	-	-
<b>As at 31 March 2019</b>	<b>100,475,000</b>	<b>1,004.75</b>
As at 31 March 2019	100,475,000	1,004.75
Add: issued during the year	-	-
<b>As at 31 March 2020</b>	<b>100,475,000</b>	<b>1,004.75</b>

**(b) Terms/ rights/ restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend recommended by the Board of Directors and approved by the shareholders in the Annual General Meeting is paid in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

(c) Details of shareholders holding more than 5% shares in the company (Face value Rs. 1/- per share)

Particulars	31-03-20		31-03-19		As at 01-04-18	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
	Ruchi Agarwal	5816000	6%	5816000	6%	5816000
Sandhya Agarwal	5375000	5%	5375000	5%	5375000	5%
<b>Total</b>	<b>11191000</b>	<b>11%</b>	<b>11191000</b>	<b>11%</b>	<b>11191000</b>	<b>11%</b>

2.11 Other equity

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>(i) Securities premium</b>			
Balance at the beginning of the year	980.00	980.00	980.00
Add: Received during the year	-	-	-
<b>Balance at the end of the year</b>	<b>980.00</b>	<b>980.00</b>	<b>980.00</b>
<b>(ii) Retained earnings</b>			
Balance at the beginning of the year	301.48	259.95	259.95
Profit for the year	34.07	48.26	
	<b>335.55</b>	<b>308.22</b>	
Appropriations:			
Transfer to reserve fund in terms of section 45-IC of the RBI Act, 1934	6.81	6.74	
	<b>6.81</b>	<b>6.74</b>	
Balance at the end of the year	<b>328.74</b>	<b>301.48</b>	<b>259.95</b>
<b>Other reserves</b>			
<b>(iii) Reserve fund in terms of section 45-IC of the RBI Act, 1934</b>			
Balance at the beginning of the year	60.04	53.30	53.30
Add: Received during the year	6.81	6.74	
<b>Balance at the end of the year</b>	<b>66.85</b>	<b>60.04</b>	<b>53.30</b>
<b>(iv) General reserve</b>			
Balance at the beginning of the year	24.01	24.01	24.01
Addition/deduction during the year	-	-	
<b>Balance at the end of the year</b>	<b>24.01</b>	<b>24.01</b>	<b>24.01</b>
<b>(v) Other comprehensive income</b>			
Balance at the beginning of the year	-	-	-
Addition/deduction during the year	-	-	
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other equity</b>	<b>1,399.60</b>	<b>1,365.53</b>	<b>1,317.27</b>

Nature and purpose of other equity

(i) Securities Premium

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the

(ii) Retained earnings

Retained earnings represents the surplus in profit and loss account and appropriations.

(iii) Reserve fund in terms of section 45-IC of the RBI Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

(iv) General reserve

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law.

## 3.1 Interest Income

in lakhs

Particulars	For the year ended 31 March	
	2020	2019
<b>On financial assets measured at amortized cost:</b>		
Loans	85.96	48.42
Investments	0.11	-
Debentures	(4.87)	5.42
<b>Total</b>	<b>81.20</b>	<b>53.84</b>

## 3.2 Net gain on fair value changes

In Lakhs

Particulars	For the year ended 31 March	
	2020	2019
Realised	-	-
Unrealised	(23.67)	15.31
<b>Total</b>	<b>(23.67)</b>	<b>15.31</b>

## 3.3 Other Operating Income

In Lakhs

Particulars	For the year ended 31 March	
	2020	2019
Dividend income	-	0.07
Profit on trading of shares and securities (net)	-	0.94
<b>Total</b>	<b>-</b>	<b>1.01</b>

## 3.4 Other Income

In Lakhs

Particulars	For the year ended 31 March	
	2020	2019
Excess provisions written back	-	1.70
Profit on sale of Vehicle	-	0.65
<b>Total</b>	<b>-</b>	<b>2.35</b>

## 3.5 Finance Cost

In Lakhs

Particulars	For the year ended 31 March	
	2020	2019
Other interest expense	0.20	0.10
<b>Total</b>	<b>0.20</b>	<b>0.10</b>

## 3.6 Impairment on financial instruments measured at amortised cost

For the year ended

31 March

Particulars	For the year ended 31 March	
	2020	2019
Loans	0.65	0.58
<b>Total</b>	<b>0.65</b>	<b>0.58</b>

The table below shows the ECL Charges on financial instruments for the year recorded in the profit and loss based on evaluation stage

Year ended 31 March 2020

Particulars	Year ended 31 March 2020		
	Stage 1	Stage 2	Stage 3
Loans	0.64	0.02	-
<b>Total</b>	<b>0.64</b>	<b>0.02</b>	<b>-</b>

The table below shows the ECL Charges on financial instruments for the year recorded in the profit and loss based on evaluation stage

Year ended 31 March 2019

Particulars	Year ended 31 March 2019		
	Stage 1	Stage 2	Stage 3
Loans	(0.07)	0.65	-
<b>Total</b>	<b>(0.07)</b>	<b>0.65</b>	<b>-</b>

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

3.7 Employee Benefits Expenses

Particulars	In Lakhs	
	For the year ended 31 March	
	2020	2019
Salaries and wages	6.67	6.86
Staff welfare expenses	-	-
<b>Total</b>	<b>6.67</b>	<b>6.86</b>

3.8 Other Expenses

Particulars	For the year ended 31 March	
	2020	2019
	Advertisement	1.35
Annual fees-Stock Exchange	3.54	2.95
Communication expenses	0.18	0.18
CDSL N NSDL	0.83	0.55
Filing Fee	0.09	0.06
Insurance	-	0.14
Legal and professional fees	3.79	4.22
Miscellaneous expenses	0.31	2.47
Payment to auditors *	0.30	0.34
Postage and telegram	0.01	0.02
Printing and stationery	0.25	0.20
Provision for standard assets	-	(0.09)
Repairs and maintenance	0.09	0.10
Rent	3.68	3.84
Travelling and conveyance	0.32	0.08
<b>Total</b>	<b>14.72</b>	<b>16.73</b>

3.9 Other Comprehensive Income

Particulars	For the year ended 31 March	
	2020	2019
	Items that will not be reclassified to Profit and Loss	
Equity Instrument through Other Comprehensive Income	-	-
Re-measurement of Defined Benefit Plan	-	-
Less: Income Tax	-	-
Items that will be reclassified to Profit and Loss		
Exchange differences on translating foreign operations	-	-
Less: Income Tax	-	-
	-	-

3.10 Earning per Share

Particulars	For the year ended 31 March	
	2020	2019
	Profit for the year as per Statement of Profit and Loss	34.07
Weighted average number of Equity Shares in calculating Basic and Diluted EPS	1E+08	100475000
Basic earnings per share	0.03	0.05
Diluted earnings per share	0.03	0.05



Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

4.1 Contingent liabilities and commitments

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
(a) Contingent liabilities not provided;	Nil	Nil	Nil
(b) Capital and other commitments	Nil	Nil	Nil

4.2 Estimated amount of contracts to be executed

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil	Nil

4.3 Disclosure of transactions with related parties as required by Ind AS 24

Name of the related party and nature of relationship	Nature of transactions	2020		2019	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
<b>(A) Holding Company, subsidiaries and fellow subsidiaries</b>					
1. Roddic Coffee Estates Private Limited (Subsidiary Company)	Investments in equity shares	-	255.00	-	255.00
	Loans and advances	170.00	480.09	437.31	650.09
	Interest Income	-	-	-	-
<b>(B) Key managerial personnel and their relatives</b>					
1. Manoj Kumar Agarwal (WTD and Chairman)	Nil	-	-	-	-
2. Seema Mittal (Director, CFO)	Remuneration	1.80	-	1.80	-
3. Rakesh Chand Agarwal (Director)	Nil	-	-	-	-
4. Deepak Agarwal (Director)	Nil	-	-	-	-
5. Vijay Kumar Jain (Director)	Nil	-	-	-	-
6. Siddharth Dwevedi (Company Secretary)	Remuneration	-	-	2.39	-
<b>(C) Enterprises in which KMP their relatives having significant influence</b>					
1. Roddic Consultants P Ltd		-	-	-	-

4.4 Event after reporting date

There have been no events after the reporting date that require adjustments/ disclosure in these financial statements

4.5 Corporate Social Responsibility

Expenditure required to be incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities are Rs. Nil (Previous year)

4.5 Segment Reporting

The Company operates in a single reportable segment i.e financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

4.6 Financial Instruments- Accounting Classifications And Fair Value Measurements (Ind AS 107)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Classification Of Financial Assets And Liabilities :</b>			
<b>Financial Assets at Amortized Cost</b>			
Cash and cash equivalents	8.20	55.43	47.23
Loans	1,268.53	1,320.13	1,342.56
Investments	255.00	255.00	255.00
Other Financial assets	26.92	6.09	14.94
<b>Financial Assets at Fair Value through profit and loss</b>			
Investments	300.05	331.79	277.84
<b>TOTAL</b>	<b>1,858.70</b>	<b>1,968.44</b>	<b>1,937.57</b>
<b>Financial Liabilities at Amortized Cost</b>			
Payables	1.23	2.26	6.36
<b>TOTAL</b>	<b>1.23</b>	<b>2.26</b>	<b>6.36</b>

#### 4.7 Financial Risk Management Objectives and Policies

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework.

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

##### a. Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company do not have any exposure to foreign exchange rate and equity price risk.

##### b. Credit Risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on six broad categories viz: (i) consumer lending, (ii) SME lending, (iii) rural lending, (iv) mortgages, (v) loan against securities, and (vi) commercial lending. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

##### Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

**Stage 1 :** unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;

**Stage 2 :** a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

**Stage 3 :** objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12 month Point in Time (PIT) probability weighted probability of default (PD). For stage 2 and 3 assets a life time ECL is calculated based on a lifetime PD.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions.

Financial instruments other than loans were subjected to simplified ECL approach under Ind AS 109 'Financial Instruments' and accordingly were not subject to sensitivity of future economic conditions.

The table below summarises the approach adopted by the Company for various components of ECL viz. PD, EAD and LGD across product lines using empirical data where relevant:

##### c. Liquidity and interest rate Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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

The table below summarises the maturity profile of the undiscounted cashflow of the Company's financial liabilities:

<b>Maturities of Financial Liabilities</b>					
<b>Particulars</b>	<b>As at 31 March 2020</b>				
	<b>Due from less than 1 year</b>	<b>Due from 1 to 2 Years</b>	<b>Due from 2 to 5 Years</b>	<b>After 5 years</b>	<b>Total</b>
Trade Payables	1.23	-	-	-	1.23
<b>Total</b>	<b>1.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.23</b>
<b>Particulars</b>	<b>As at 31 March 2019</b>				
	<b>Due from less than 1 year</b>	<b>Due from 1 to 2 Years</b>	<b>Due from 2 to 5 Years</b>	<b>After 5 years</b>	<b>Total</b>
Trade Payables	2.26	-	-	-	2.26
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.26</b>
<b>Particulars</b>	<b>As at 1 April 2018</b>				
	<b>Due from less than 1 year</b>	<b>Due from 1 to 2 Years</b>	<b>Due from 2 to 5 Years</b>	<b>After 5 years</b>	<b>Total</b>
Trade Payables	6.36	-	-	-	6.36
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.36</b>

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

4.8 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through a mix of equity, borrowings and operating cash flows.

The Company's Debt Equity ratio is as below:

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Total Debt</b>	-	-	-
<b>Total Equity</b>	2,404.35	2,370.28	2,322.02
<b>Debt / Equity Ratio</b>	-	-	-
<b>Regulatory capital</b>			
Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Tier I Capital			
Tier II Capital			
Risk weighted assets (RWA)			
Tier I CRAR			
Tier II CRAR			
<b>Dividend distribution made and proposed</b>			
Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Dividend distribution made	-	-	-
Dividend proposed	-	-	-
	-	-	-

4.9 A comparison between provisions required under IRACP and impairment allowance made under Ind AS 109

Asset Classification as per RBI Norm	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS 109	Loss Allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 (3-4)	6	7 = (4-6)
Performing assets - Loans						
Standard	Stage- 1	1,258.55	4.76	1,253.79	2.52	2.24
	Stage- 2	17.24	1.02	16.21	0.07	0.95
<b>Sub-Total</b>		<b>1,275.79</b>	<b>5.78</b>	<b>1,270.01</b>	<b>2.59</b>	<b>3.19</b>
Non-performing assets - NPA						
Sub-standard	Stage- 3	-	-	-	-	-
Doubtful - upto 1 year	Stage- 3	-	-	-	-	-
1 to 3 years	Stage- 3	-	-	-	-	-
More than 3 years	Stage- 3	-	-	-	-	-
<b>Sub-Total for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss	Stage- 3	-	-	-	-	-
<b>Sub-Total for NPA</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Others	Stage- 1	-	-	-	-	-
	Stage- 2	-	-	-	-	-
	Stage- 3	-	-	-	-	-
<b>Sub-Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage- 1	1,258.55	-	-	-	-
	Stage- 2	17.24	-	-	-	-
	Stage- 3	-	-	-	-	-
<b>Total</b>	<b>Total</b>	<b>1,275.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

4.10 Fair Value Measurement

a. Valuation methodologies adopted

**Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:**

Fair values of investments held for trading under FVTPL have been determined under level 1 (refer note no. 48) using quoted market prices of the underlying instruments;

Fair values of strategic investments in equity instruments designated under FVOCI have been measured under level 3 (refer note no. 48) at fair value based on a discounted cash flow model.

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

Fair value of loans held under a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, investments in equity instruments designated at FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

b. Fair values hierarchy

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1, level 2 and level 3 during the year.

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31-03-20		555.05		

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31-03-19		586.79		

**Quantitative disclosures of fair value measurement hierarchy for assets as at 1 April 2018**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	01-04-18		532.84		

## Fair value of financial instruments not measured at fair value as at 31 March 2020

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	8.20
Loans	1,268.53
Investments	555.05
Other financial assets	26.92
	1,858.70
<b>Financial liabilities</b>	
Trade payables	-
Other payables	1.23
	1.23

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
8.20	-	-	8.20
1,268.53	-	-	1,268.53
555.05	-	-	555.05
26.92	-	-	26.92
1,858.70	-	-	1,858.70
-	-	-	-
1.23	-	-	1.23
1.23	-	-	1.23

## Fair value of financial instruments not measured at fair value as at 31 March 2019

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	55.43
Loans	1,320.13
Investments	586.79
Other financial assets	6.09
	1,968.44
<b>Financial liabilities</b>	
Trade payables	-
Other payables	2.26
	2.26

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
55.43	-	-	55.43
1,320.13	-	-	1,320.13
-	586.79	-	586.79
6.09	-	-	6.09
1,381.64	586.79	-	1,968.44
-	-	-	-
2.26	-	-	2.26
2.26	-	-	2.26

## Fair value of financial instruments not measured at fair value as at 1 April 2018

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	47.23
Loans	1,342.56
Investments	532.84
Other financial assets	14.94
	1,937.57
<b>Financial liabilities</b>	
Trade payables	-
Other payables	6.36
	6.36

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
47.23	-	-	47.23
1,342.56	-	-	1,342.56
-	532.84	-	532.84
14.94	-	-	14.94
1,404.73	532.84	-	1,937.57
-	-	-	-
6.36	-	-	6.36
6.36	-	-	6.36

## 4.11 Disclosure of loans / advances and investments in its own shares pursuant to Regulation 53 of SEBI (Listing obligations and disclosure requirements) Regulation, 2015

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
i. Loans and advances in the nature of loans to subsidiaries			
Roddic Coffee and Estates Private Limited	480.09	650.09	1,087.40
ii. Deposits	Nil	Nil	Nil
iii. Guarantees	Nil	Nil	Nil

## 4.12 Uncertainties relating to the Global Health Pandemic from Covid - 19 ("Covid-19")

In accordance with the RBI Guidelines relating to "Covid-19" Regulatory Package dated March 27, 2020 and April 17, 2020, the Company would be granting / had granted a moratorium of three months on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. For all such accounts where moratorium is granted, the asset classification has been remaining stand still during the moratorium period.

## 4.13 First time adoption of Ind AS (Ind AS 101)

The Stand Alone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, read with relevant rules issued thereunder in terms of the SEBI LODR.

For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ("previous GAAP"). The adoption of Ind AS was carried out in accordance with Ind AS 101, considering April 1, 2018 as the transition date. Pursuant to adoption of Ind AS, the differences in the carrying amounts of assets and liabilities on the transition date under the previous GAAP and the balances on adoption of Ind AS have been recognised directly in equity. The financial statements for the year ended March 31, 2019 and the Balance Sheet as at the transition date and as at March 31, 2020 have been presented under Ind AS for comparative purposes. Accounting policies have been applied consistently to all periods presented in these Stand alone Financial Results.

**Exemptions and exceptions availed****Mandatory Exemptions**

The Company has adopted all relevant mandatory exceptions set out in Ind AS 101 which are as below:

**i Estimates**

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP.

**ii Derecognition of financial assets and liabilities**

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**iii Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**iv Impairment of financial assets**

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

**Optional Exemptions****i Investment in Subsidiary**

Ind AS 101 provides a one time option to a first-time adopter either to measure its investment in subsidiaries as per previous GAAP carrying value or at fair value on the date of transition.

The Company has elected to measure its investment in subsidiary as per previous GAAP carrying value.

## 4.14 First Time Adoption-Reconciliation of Equity as previously reported under Previous GAAP to Ind AS

The following reconciliations provides the effect of transition to Ind AS from Previous GAAP in accordance with Ind AS-101.

## a. Effect of Ind AS adoption on the Balance Sheet as at 31 March 2019 and 1 April 2018

Balance Sheet	As at 31 March 2019			As at 1 April 2018		
	Previous GAAP	Ind AS Adjustments	As per IND AS	Previous GAAP	Ind AS Adjustments	As per IND AS
<b>Particulars</b>						
<b>ASSETS</b>						
<b>1) Financial Assets</b>						
(a) Cash and cash equivalents	55.43	-	55.43	47.23	-	47.23
(b) Bank Balance other than (a) above	-	-	-	-	-	-
(c) Receivables	-	-	-	-	-	-
(d) Loans	1,415.82	95.69	1,320.13	1,437.66	95.11	1,342.56
(e) Investments	552.69	(34.10)	586.79	514.05	(18.79)	532.84
(f) Other Financial assets	6.09	0.00	6.09	14.94	0.00	14.94
<b>2) Non-financial Assets</b>						
(c) Deferred tax Assets (Net)	1.34	1.34	-	1.67	1.67	-
(e) Biological assets other than bearer plants	-	-	-	-	-	-
(f) Property, Plant and Equipment	321.33	-	321.33	322.65	-	322.65
(k) Other non-financial assets	-	(90.56)	90.56	-	(90.56)	90.56
<b>Total Assets</b>	<b>2,352.70</b>	<b>(27.64)</b>	<b>2,380.33</b>	<b>2,338.20</b>	<b>(12.58)</b>	<b>2,350.78</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>1) Financial Liabilities</b>						
(a) Payables						
(l) Other Payables	2.26	-	2.26	6.36	-	6.36
<b>2) Non-Financial Liabilities</b>						
(a) Current tax liabilities (Net)	-	-	-	15.00	-	15.00
(b) Provisions	5.30	-	5.30	5.39	0.01	5.38
(c) Deferred tax liabilities (Net)	-	(2.49)	2.49	-	(2.02)	2.02
<b>3) EQUITY</b>						
(a) Equity Share capital	1,004.75	-	1,004.75	1,004.75	-	1,004.75
(b) Other Equity	1,340.38	(25.14)	1,365.53	1,306.71	(10.56)	1,317.27
<b>Total Liabilities and Equity</b>	<b>2,352.70</b>	<b>(27.64)</b>	<b>2,380.33</b>	<b>2,338.20</b>	<b>(12.57)</b>	<b>2,350.77</b>

## b. First Time Adoption Reconciliation of Profit and Loss as previously reported under Previous GAAP to Ind AS

Statement of Profit and Loss	For the year ended 31 March 2019		
	Previous GAAP	Ind AS Adjustments	As per IND AS
<b>Particulars</b>			
<b>Revenue from operations</b>			
Interest Income	54.85	(1.01)	53.84
Net gain on fair value changes	-	15.31	15.31
Other operative income	-	1.01	1.01
<b>Total Revenue from operations</b>	<b>54.85</b>	<b>15.31</b>	<b>70.16</b>
Other Income (to be specified)	2.35	-	2.35
<b>Total Income</b>	<b>57.20</b>	<b>15.31</b>	<b>72.51</b>
<b>Expenses</b>			
Finance Costs	0.10	-	0.10
Impairment on financial instruments	-	0.58	0.58
Employee Benefits Expenses	6.86	-	6.86
Depreciation, amortization and impairment	0.31	-	0.31
Others expenses (to be specified)	16.73	-	16.73
<b>Total Expenses</b>	<b>24.00</b>	<b>0.58</b>	<b>24.58</b>
<b>Profit/(loss) before tax (V -VI)</b>	<b>33.20</b>		<b>47.93</b>
Tax Expense:			
(1) Current Tax	(0.81)	-	(0.81)
(2) Deferred Tax	0.33	0.14	0.47
<b>Profit/(loss) for the year</b>	<b>33.68</b>	<b>(0.14)</b>	<b>48.26</b>
<b>Other Comprehensive Income</b>			
(A) (i) Items that will not be reclassified to profit or loss	-	-	-
(B) (i) Items that will be reclassified to profit or loss	-	-	-
<b>Other Comprehensive Income for the year (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>	<b>33.68</b>	<b>14.59</b>	<b>48.26</b>
<b>Earnings per equity share (for continuing and discontinued operations)</b>			
Basic (Rs.)			0.03
Diluted (Rs.)			0.03

## c. First Time Adoption - Reconciliation of Equity and Total Comprehensive Income

## (i) Equity Reconciliation

Particulars		As at	
		31 March 2019	1 April 2018
<b>Total Equity as reported under previous GAAP</b>	<b>A</b>	2,345.13	2,311.46
<b>Ind AS adjustments on account of:</b>	<b>B</b>		
a. Net gain on fair value changes		34.10	18.79
b. Impairment on financial instruments		(5.13)	(4.54)
<b>Ind AS Adjustments</b>	<b>A + B</b>	2,374.11	2,325.70
<b>Total Equity under Ind AS</b>			

## (ii) Total Comprehensive Income Reconciliation

Particulars		As at 31 March	
		2019	2018
<b>Profit as reported under previous GAAP</b>	<b>A</b>		46.16
<b>Ind AS adjustments on account of:</b>	<b>B</b>		
a. Net gain on fair value changes			18.79
b. Impairment on financial instruments			(4.54)
d. Deferred Tax Adjustments			3.69
<b>Profit for the year as per Ind AS</b>	<b>A + B</b>		64.09
<b>Total Comprehensive Income under Ind AS</b>			64.09



**Notes to First time adoption of Ind AS**

**1 Fair valuation of investments subsequently measured under FVTPL and FVOCI**

Under the previous GAAP, investments in Government and trust securities, fixed maturity plans and other mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2018 or Other Comprehensive Income (OCI) depending upon the subsequent measurement category for the investments

**2 EIR adjustment of transaction costs/incomes integral to the sourcing of loans/borrowings.**

Under previous GAAP, all the transaction costs/incomes integral to sourcing of loans/borrowings were recognised upfront on an accrual basis. Under Ind AS, these transaction costs/incomes related to sourcing of loans/borrowings are amortised using the effective interest rate (EIR) and the unamortised portion is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

**3 Deferred Tax Asset**

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

**4 Impairment of financial assets**

Under previous GAAP, loan losses and provisions were computed basis RBI guidelines and Management estimations. Under Ind AS, the same is required to be computed as per the impairment principles laid out in Ind AS 109 – 'Financial Instruments' which prescribes the expected credit loss model (ECL model) for the same. Accordingly, the difference between loan losses and provisions as computed under previous GAAP and as computed under Ind AS is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

**5 Components of Other comprehensive income (OCI)**

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Company:

- i. Re-measurement gains/(losses) on defined benefit plans
- ii. Changes in fair value of FVOCI equity instruments
- iii. Changes in fair value of FVOCI debt securities

**Impact of Ind AS adoption on the Statement of Cash Flows**

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows.

4.15 Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable to those with the current year.

---

**As per our report of even date**

**For Sunil Soni & Co.**

**Chartered Accountants**

**FRN : 129161W**

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

**CA Sunil Soni**

**Proprietor**

**Membership No. : 123634**

**Mumbai, July 27, 2020**

**Manoj Kumar Agarwal**

**Director**

**DIN: 01767926**

**Rakesh Chand Agarwal**

**Director**

**DIN: 03539915**

## 2.6 Property, plant and equipment and intangible assets

(Rs. In Lakhs)

## For the financial year 2019-20

Particulars	Gross block			Depreciation and amortization			Net block		
	1 April 2019	Additions	Deduction /adjustments	31 March 2020	1 April 2019	Deduction /adjustments	For the year	31 March 2020	31 March 2020
Freehold Land	320.91	-	-	320.91	-	-	-	-	320.91
Vehicles	1.02	34.11	-	35.14	0.83	-	2.85	3.68	31.46
Furniture and fixtures	0.14	-	-	0.14	0.10	-	0.01	0.11	0.03
Computers	2.02	-	-	2.02	1.90	-	0.01	1.91	0.10
Office equipments	0.37	-	-	0.37	0.30	-	0.03	0.33	0.04
<b>Sub-total</b>	<b>324.46</b>	<b>34.11</b>	<b>-</b>	<b>358.58</b>	<b>3.13</b>	<b>-</b>	<b>2.90</b>	<b>6.03</b>	<b>352.54</b>
<b>Intangible assets (b)</b>									
Softwares	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>324.46</b>	<b>34.11</b>	<b>-</b>	<b>358.58</b>	<b>3.13</b>	<b>-</b>	<b>2.90</b>	<b>6.03</b>	<b>352.54</b>

## For the financial year 2018-19

Particulars	Gross block			Depreciation and amortization			Net block		
	1 April 2018	Additions	Deduction /adjustments	31 March 2019	1 April 2018	Deduction /adjustments	For the year	31 March 2019	31 March 2019
<b>Property, plant and equipment (a)</b>									
Freehold Land	320.91	-	-	320.91	-	-	-	-	320.91
Vehicles	11.08	-	10.06	1.02	9.69	9.05	0.20	0.83	0.19
Furniture and fixtures	0.14	-	-	0.14	0.09	-	0.01	0.10	0.04
Computers	2.02	-	-	2.02	1.86	-	0.04	1.90	0.12
Office equipments	0.37	-	-	0.37	0.24	-	0.06	0.30	0.07
<b>Sub-total</b>	<b>334.52</b>	<b>-</b>	<b>10.06</b>	<b>324.46</b>	<b>11.87</b>	<b>9.05</b>	<b>0.31</b>	<b>3.13</b>	<b>321.33</b>
<b>Intangible assets (b)</b>									
Softwares	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>334.52</b>	<b>-</b>	<b>10.06</b>	<b>324.46</b>	<b>11.87</b>	<b>9.05</b>	<b>0.31</b>	<b>3.13</b>	<b>321.33</b>

On transition date the Company has elected to carry previous GAAP carrying amount as deemed cost.

**Sulabh Engineers & Services Limited**  
**Statement of Cash Flow**

(Rs. In Lakhs)

Particulars	For the year ended 31 March	
	2020	2019
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit and loss	32.39	47.93
Adjustments for :		
Depreciation & amortisation	2.90	0.31
Investment fair value adjustment	23.67	-15.31
Impairment on Financial Instruments	0.65	0.58
Others	1.84	-1.70
Operating profit before working capital changes	<b>61.45</b>	<b>31.81</b>
Adjustment for:		
(Increase) /Decrease in Loans	51.60	22.43
(Increase) /Decrease in Other financial and Non-Financial Assets	-130.71	8.85
(Increase) /Decrease in Investments	8.07	-38.65
(Decrease)/Increase in Other Financial and Non-Financial Liabilities	4.58	-18.70
Cash generated from operations	<b>-5.01</b>	<b>5.75</b>
Income Tax	-8.10	0.81
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-13.11</b>	<b>6.55</b>
Cash flow from investing activities		
Payment for purchase and construction of property, plant and equipment		
Purchase of Property, Plant and Equipment including WIP, Investments etc	-34.11	1.65
Deposits Matured/made during the year	-	-
<b>(B) NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-34.11</b>	<b>1.65</b>
Cash flow from financing activities		
<b>(C) NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents	<b>-47.22</b>	<b>8.20</b>
Cash and cash equivalents at the beginning of the year	55.44	47.23
Cash and cash equivalents at the end of the year	8.21	55.44

**Summary of significant accounting policies**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**FRN : 129161W**

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

**CA Sunil Soni**  
**Proprietor**  
**Membership No. : 123634**  
**Mumbai, July 27, 2020**

**Manoj Kumar Agarwal**  
**Director**  
**DIN: 01767926**

**Rakesh Chand Agarwal**  
**Director**  
**DIN: 03539915**

**CFO**  
**Seema Mittal**

**Company Secretary**  
**Siddharth Dwivedi**

**Sulabh Engineers & Services Limited**

<b>Capital Funds - Tier I</b>	<i>(Rs. In Lakhs)</i>
1 Paid up Equity Capital	1,004.75
2 Pref. shares to be compulsorily converted into equity	
3 Free Reserves:	
a. General Reserve	24.01
b. Share Premium	980.00
c. Capital Reserves	-
d. Debenture Redemption Reserve	-
e. Capital Redemption Reserve	-
f. Credit Balance in P&L Account	328.74
g. Other free reserves (may be specified)	-
	1,332.75
4 Special Reserves	66.85
Total of 1 to 4	<b>2,404.35</b>
5 Less: i. Accumulated balance of loss	-
ii. Deferred Revenue Expenditure	-
iii. Deferred Tax Assets (Net)	7.29
iv. Other intangible Assets	-
	7.29
<b>Owned Fund</b>	<b>2,397.06</b>
6 Investment in shares of	
(i) Companies in the same group	-
(ii) Subsidiaries	255.00
(iii) Wholly Owned Subsidiaries	-
(iv) Other NBFCs	-
	255.00
7 Book value of debentures, bonds outstanding loans and advances, bills purchased and discounted (including H.P. and lease finance) made to, and deposits with	
(i) Companies in the same group	-
(ii) Subsidiaries	480.09
(iii) Wholly Owned Subsidiaries/Joint Ventures	-
Abroad	-
	480.09
8 Total of 6 and 7	<b>735.09</b>
9 Amount in item 8 in excess of 10% of Owned Fund	495.38
<b>10 Net Owned Fund/ Tier I Capital</b>	<b>1,901.67</b>

$$\text{CRAR} = \frac{\text{Tier I Capital} + \text{Tier ii Capital}}{\text{Risk Weighted Assets}}$$

**Sulabh Engineers & Services Limited**

<b>Capital Funds - Tier I</b>	<i>(Rs. In Lakhs)</i>
1 preference shares other than those which are compulsorily convertible into equity;	
2 revaluation reserves at discounted rate of fifty five percent;	
3 General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets;	
4 Hybrid debt capital instruments	
5 Subordinated debt;	
6 Perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I capital.	
<b>10 Tier ii Capital</b>	<b>-</b>

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

**Independent Auditor's Report**

To the Members of

**SULABH ENGINEERS & SERVICES LIMITED**

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

**Opinion**

We have audited the accompanying Consolidated financial statements of SULABH ENGINEERS & SERVICES LIMITED ("the Parent Company"), and its subsidiaries (The Parent and subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2020 , and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and Consolidated Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 , the profit and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
(b) <i>Transition to Ind AS accounting framework</i> <i>The Group has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018. For the period upto and including the year ended March 31, 2019, the company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect to the transition to Ind AS, these financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date Balance Sheet as at April 1, 2018 have been prepared under Ind AS.</i>	<ul style="list-style-type: none"><li>• <i>Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework.</i></li><li>• <i>Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities as its transition date.</i></li></ul>

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

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

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

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

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

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

**Management's Responsibility for the Consolidated Financial Statements**

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the Companies involved are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

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

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

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

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

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

***Report on Other Legal and Regulatory Requirements***

*1. As required by Section 143(3) of the Act, we report that:*

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

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet as at 31st March 2020 , and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2020 taken on record by the Board of Directors of the Parent Company and the report of statutory auditors of subsidiary company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group does not have any pending litigations which would impact its financial position.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**(Firm Registration No.:129161W)**

**Sunil Soni**  
**Proprietor**  
**Membership No.:123634**

**Place : MUMBAI**  
**Date : 27/07/2020**



**Annexure - A to the Auditors' Report**

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

**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 **SULABH ENGINEERS & SERVICES LIMITED** ("the Parent Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of 31 March, 2020 in the conjunction with our audit of Consolidated financial statements of the company for the year ended on that date.

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

The respective Board of Directors of the Companies involved 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, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Parent 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 Standard 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 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 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 system 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;

**SUNIL SONI & Co.**  
**Chartered Accountants**  
**11 B, Indian Airlines Colony, Kalina,**  
**Santacruz East, Mumbai-400029 Maharashtra**

---

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the 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 period 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 Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020 , based on the internal control over financial reporting criteria established by the Group 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 Sunil Soni & Co.**  
**Chartered Accountants**  
**(Firm RegistrationNo.:129161W)**

**Sunil Soni**  
**Proprietor**  
**Membership No.:123634**

Place : MUMBAI  
Date : 27/07/2020

## Consolidated Balance Sheet

(Rs. In Lakhs)

Particulars	Note No	As at 31 March		As at 1 April
		2020	2019	2018
<b>ASSETS</b>				
<b>1) Financial Assets</b>				
(a) Cash and cash equivalents	2.1	15.02	72.98	80.12
(b) Bank Balance other than (a) above		-	-	-
(c) Receivables	2.2	282.92	245.28	94.41
(d) Loans	2.3	788.44	670.04	255.16
(e) Investments	2.4	300.05	331.79	277.84
(f) Other Financial assets	2.5	32.26	6.39	15.14
		<b>1,418.68</b>	<b>1,326.48</b>	<b>722.66</b>
<b>2) Non-financial Assets</b>				
(a) Inventories including biological assets	2.6	57.46	6.52	366.62
(b) Deferred tax Assets (Net)	2.7	7.09	-	-
(c) Property, Plant and Equipment	2.8	2,354.27	2,290.04	2,291.74
(d) Other non-financial assets	2.9	200.45	90.56	90.56
		<b>2,619.26</b>	<b>2,387.12</b>	<b>2,748.93</b>
<b>Total Assets</b>		<b>4,037.95</b>	<b>3,713.60</b>	<b>3,471.58</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1) Financial Liabilities</b>				
(a) Payables	2.10			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		117.19	9.71	13.25
(b) Borrowings	2.11	338.00	338.00	331.01
		<b>455.19</b>	<b>347.71</b>	<b>344.25</b>
<b>2) Non-Financial Liabilities</b>				
(a) Current tax liabilities (Net)		8.10	-	15.00
(b) Provisions	2.12	5.30	5.30	5.39
(c) Deferred tax liabilities (Net)	2.7	-	2.70	2.15
		<b>13.40</b>	<b>8.00</b>	<b>22.53</b>
<b>3) Equity</b>				
(a) Equity Share capital	2.13	1,004.75	1,004.75	1,004.75
(b) Other Equity	2.14	1,743.61	1,619.07	1,466.34
<b>Equity attributable to owners of the Company</b>		<b>2,748.36</b>	<b>2,623.82</b>	<b>2,471.09</b>
Non-controlling interest		821.00	734.08	633.71
<b>Total Equity</b>		<b>3,569.36</b>	<b>3,357.90</b>	<b>3,104.80</b>
<b>Total Liabilities and Equity</b>		<b>4,037.95</b>	<b>3,713.60</b>	<b>3,471.58</b>

## Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sunil Soni & Co.

Chartered Accountants

FRN : 129161W

For and on behalf of Board of Directors

CA Sunil Soni

Proprietor

Membership No. : 123634

Mumbai, July 27, 2020

Manoj Kumar Agarwal

Director

DIN: 01767926

Rakesh Chand Agarwal

Director

DIN: 03539915

CFO

Seema Mittal

Company Secretary

Siddharth Dwivedi

## Consolidated Statement of profit and loss

Particulars	Note No	For the year ended 31 March	
		2020	2019
<b>Revenue from operations</b>			
Interest Income	3.1	81.21	26.92
Net gain on fair value changes	3.2	-23.67	15.31
Sale of Products	3.3	324.67	757.60
Other operative income	3.4	-	1.01
<b>Total Revenue from operations</b>		<b>382.21</b>	<b>800.84</b>
Other Income (to be specified)	3.5	-	3.50
<b>Total Income</b>		<b>382.21</b>	<b>804.34</b>
<b>Expenses</b>			
Finance Costs	3.6	0.20	0.69
Impairment on financial instruments	3.7	0.65	0.58
Changes in Inventory of finished goods and stock-in-trade	3.8	-50.94	360.10
Employee Benefits Expenses	3.9	21.16	21.68
Depreciation, amortization and impairment	2.8	10.60	5.70
Others expenses	3.10	190.75	162.75
<b>Total Expenses</b>		<b>172.43</b>	<b>551.50</b>
<b>Profit/(loss) before tax</b>		<b>209.78</b>	<b>252.84</b>
Tax Expense:			
(1) Current Tax	2.7	8.10	-0.81
(2) Deferred Tax		-9.78	0.55
<b>Profit/(loss) for the year</b>		<b>211.46</b>	<b>253.10</b>
<b>Other Comprehensive Income</b>	3.11		
(A) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>211.46</b>	<b>253.10</b>
Owners of the Company		124.54	152.73
Non- controlling Interest		86.92	100.37
<b>Earnings per equity share (for continuing and discontinued operations)</b>	3.12		
Basic (Rs.)		0.21	0.25
Diluted (Rs.)		0.21	0.25

## Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Sunil Soni & Co.**  
Chartered Accountants  
FRN : 129161W

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

CA Sunil Soni  
Proprietor  
Membership No. : 123634  
Mumbai, July 27, 2020

Manoj Kumar Agarwal  
Director  
DIN: 01767926

Rakesh Chand Agarwal  
Director  
DIN: 03539915

CFO  
Seema Mittal

Company Secretary  
Siddharth Dwivedi

Statement of Changes in Equity

Equity share capital

Particulars	Rs in Lakhs	
	For the year ended 31 March	
	2020	2019
Balance at the beginning of the year	1,004.75	1,004.75
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,004.75	1,004.75

Other Equity

Particulars	Reserves and surplus				Other comprehensive income	Total other equity
	Securities Premium	Retained earnings	Reserve fund as per RBI Act	General reserve		
<b>For the year ended 31 March 2020</b>						
Balance as at 31 March 2019	980.00	555.02	60.04	24.01	-	1,619.07
Profit after tax	-	124.54	-	-	-	124.54
Other comprehensive income (net of tax)	-	-	-	-	-	-
	980.00	679.56	60.04	24.01	-	1,743.61
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-42.29	42.29	-	-	-
Others	-	-	-	-	-	-
	-	-42.29	42.29	-	-	-
Balance as at 31 March 2020	980.00	637.27	102.33	24.01	-	1,743.61
<b>For the year ended 31 March 2019</b>						
Balance as at 31 March 2018	980.00	409.02	53.30	24.01	-	1,466.34
Profit after tax	-	152.73	-	-	-	152.73
Other comprehensive income (net of tax)	-	-	-	-	-	-
	980.00	561.75	53.30	24.01	-	1,619.07
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-6.74	6.74	-	-	-
Others	-	-	-	-	-	-
	-	-6.74	6.74	-	-	-
Balance as at 31 March 2019	980.00	555.02	60.04	24.01	-	1,619.07

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Sunil Soni & Co.**  
Chartered Accountants  
FRN : 129161W

For and on behalf of Board of Directors

**CA Sunil Soni**  
Proprietor  
Membership No. : 123634  
Mumbai, July 27, 2020

**Manoj Kumar Agarwal**  
Director  
DIN: 01767926

**Rakesh Chand Agarwal**  
Director  
DIN: 03539915

**CFO**  
Seema Mittal

**Company Secretary**  
Siddharth Dwivedi

**2.1 Cash and cash equivalents**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Cash on hand	11.76	10.60	11.49
Balance with banks:			
In current account	3.26	62.38	68.62
In fixed deposits account (with original maturity of 3 months or less)	-	-	-
	<b>15.02</b>	<b>72.98</b>	<b>80.12</b>

**2.2 Receivables**

277.84

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Considered good	282.92	245.28	94.41
Considered doubtful	-	-	-
Less: Allowance for credit loss	-	-	-
	<b>282.92</b>	<b>245.28</b>	<b>94.41</b>

**2.3 Loans**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>At amortised cost</b>			
Loans repayable on demand - unsecured	794.22	675.16	259.70
Loans to subsidiary	480.09	650.09	1,087.40
Less: Impairment loss allowance	5.78	5.13	4.54
Less: Mutual Owing	480.09	650.09	1,087.40
<b>Total</b>	<b>788.44</b>	<b>670.04</b>	<b>255.16</b>
Others - unsecured	-	-	-
Less: Impairment loss allowance	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Loans	794.22	675.16	259.70
Less: Impairment loss allowance	5.78	5.13	4.54
<b>Total Loans</b>	<b>788.44</b>	<b>670.04</b>	<b>255.16</b>
Out of the above			
Loans in India			
(i) Public Sector	-	-	-
(ii) Others	1,274.31	1,325.25	1,347.10
Total	<b>1,274.31</b>	<b>1,325.25</b>	<b>1,347.10</b>
Less: Impairment loss allowance	5.78	5.13	4.54
	<b>788.44</b>	<b>670.04</b>	<b>255.16</b>

**Loans****a) Credit quality of assets**

The table below shows year-end stage wise risk classification. The amounts presented are gross of impairment allowances.

**b) Analysis of change in the gross carrying amount of loans**

Particulars	Year ended 31 March 2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	1,308.31	16.94	-	1,325.25
New disbursements	194.00	-	-	194.00
Assets derecognised	(7.78)	-	-	(7.78)
Other movements including partial repayments and interest accn	(237.45)	0.29	-	(237.16)
<b>Closing Balance</b>	<b>1,257.07</b>	<b>17.24</b>	<b>-</b>	<b>1,274.31</b>
Particulars	Year ended 31 March 2019			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	1,330.24	16.86	-	1,347.10
New disbursements	497.75	-	-	497.75
Assets derecognised	-	-	-	-
Other movements including partial repayments and interest accn	(519.68)	0.09	-	(519.60)
<b>Closing Balance</b>	<b>1,308.31</b>	<b>16.94</b>	<b>-</b>	<b>1,325.25</b>

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

**c) Reconciliation of ECL balance**

Particulars	Year ended 31 March 2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	4.12	1.01	-	5.13
New disbursements & Other movements	0.64	0.02	-	0.65
Assets derecognised	-	-	-	-
<b>Closing Balance</b>	<b>4.76</b>	<b>1.02</b>	<b>-</b>	<b>5.78</b>

Particulars	Year ended 31 March 2019			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	4.19	0.35	-	4.54
New disbursements & Other movements	(0.07)	0.65	-	0.58
Assets derecognised	-	-	-	-
<b>Closing Balance</b>	<b>4.12</b>	<b>1.01</b>	<b>-</b>	<b>5.13</b>

**2.4 Investments**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Investments in equity instruments</b>			
<b>At fair value through profit or loss</b>			
(i) In mutual funds	283.91	291.99	253.34
Add: Fair value gains / (losses)	6.26	31.00	16.64
	<b>290.18</b>	<b>322.99</b>	<b>269.98</b>
(ii) In gold coins	5.71	5.71	5.71
Add: Fair value gains / (losses)	4.17	3.10	2.15
	<b>9.87</b>	<b>8.81</b>	<b>7.86</b>
<b>Total</b>	<b>300.05</b>	<b>331.79</b>	<b>277.84</b>
Out of the above			
In India	300.05	331.79	277.84
Outside India			
Total	<b>300.05</b>	<b>331.79</b>	<b>277.84</b>

**2.5 Other financial assets**

(Rs. In Lakhs)

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Advance tax and tax	17.63	4.59	12.52
Security deposit	1.55	1.55	1.55
GST Recoverable	5.15	0.11	-
Accrued Interest on loans	7.78	-	-
Advance to suppliers and others	0.14	0.14	1.06
<b>Total</b>	<b>32.26</b>	<b>6.39</b>	<b>15.14</b>

**2.6 Inventories including biological assets**

As at 1 April

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Finished Goods	57.46	6.52	366.62
<b>Total</b>	<b>57.46</b>	<b>6.52</b>	<b>366.62</b>

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

2.7 Deferred tax assets (net)

(Rs. In Lakhs)

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Profit before tax	209.78	252.84	331.26
Current tax expenses	8.10	(0.81)	15.05

Deferred tax assets recorded in Balance Sheet

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Deferred tax relates to the following:			
<b>Deferred tax assets</b>			
Depreciation and amortization	0.96	1.13	1.56
Impairment of financial instruments	0.16	0.15	1.18
Unrealised net loss on fair value changes	5.96	-	-
Gross deferred tax assets	7.09	1.29	2.74
<b>Deferred tax liabilities</b>			
Unrealised net gain on fair value changes	-	3.98	4.89
Gross deferred tax liabilities	-	3.98	4.89
Deferred tax assets/(liabilities), net	7.09	(2.70)	(2.15)

Changes in deferred tax assets recorded in profit or loss

Particulars	As at 31 March	
	2020	2019
Deferred tax relates to the following:		
<b>Deferred tax assets</b>		
Depreciation and amortization	0.17	0.42
Impairment of financial instruments	(0.01)	1.03
Unrealised net loss on fair value changes	(5.96)	-
Unrealised net gain on fair value changes	(3.98)	(0.91)
	(9.78)	0.55

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

2.9 Other non - financial assets

in lakhs

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Capital advances	200.45	90.56	90.56
Total	200.45	90.56	90.56

2.10 Payables

in lakhs

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>(i) Trade payable</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues creditots other than micro enterprises and small enterprises	114.64	1.17	1.15
	114.64	1.17	1.15
<b>(ii) Other payable</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues creditots other than micro enterprises and small enterprises	2.55	8.54	12.10
	2.55	8.54	12.10
<b>Total</b>	<b>117.19</b>	<b>9.71</b>	<b>13.25</b>

2.11 Borrowings

-

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Unsecured borrowings</b>			
From Directors	338.00	338.00	318.00
From Parent company	480.09	650.09	1,078.87
From others	-	-	21.54
Total	818.09	988.09	1,418.41
Less : Mutual Owing	480.09	650.09	1,087.40
Total	338.00	338.00	331.01



## 2.12 Provisions

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Provisions retained for sale of non-performing assets as per RBI	5.30	5.30	5.39
<b>Total</b>	<b>5.30</b>	<b>5.30</b>	<b>5.39</b>

## 2.13 Equity

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Authorized</b>			
11,00,00,000 (11,00,00,000) equity shares of Rs. 1/- each	1,100.00	1,100.00	1,100.00
<b>Issued, subscribed and paid up</b>			
10,04,75,000 (10,04,75,000) equity shares of Rs. 1/- each	1,004.75	1,004.75	1,004.75

### (a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	Numbers	in lakhs
Equity share capital issued, subscribed and fully paid-up	100,475,000	1,004.75
Add: issued during the year	-	-
<b>As at 1 April 2018</b>	<b>100,475,000</b>	<b>1,004.75</b>
As at 1 April 2018	100,475,000	1,004.75
Add: issued during the year	-	-
<b>As at 31 March 2019</b>	<b>100,475,000</b>	<b>1,004.75</b>
As at 31 March 2019	100,475,000	1,004.75
Add: issued during the year	-	-
<b>As at 31 March 2020</b>	<b>100,475,000</b>	<b>1,004.75</b>

### (b) Terms/ rights/ restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend recommended by the Board of Directors and approved by the shareholders in the Annual General Meeting is paid in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the company (Face value Rs. 1/- per share)**

Particulars	31-03-20		31-03-19		As at 01-04-18	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Ruchi Agarwal	5816000	6%	5816000	6%	5816000	6%
Sandhya Agarwal	5375000	5%	5375000	5%	5375000	5%
<b>Total</b>	<b>11191000</b>	<b>11%</b>	<b>11191000</b>	<b>11%</b>	<b>11191000</b>	<b>11%</b>

**2.14 Other equity**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
` in lakhs			
<b>(i) Securities premium</b>			
Balance at the beginning of the year	980.00	980.00	980.00
Add: Received during the year	-	-	-
<b>Balance at the end of the year</b>	<b>980.00</b>	<b>980.00</b>	<b>980.00</b>
<b>(ii) Retained earnings</b>			
Balance at the beginning of the year	555.02	409.02	409.02
Profit for the year	124.54	152.73	
	<b>679.56</b>	<b>561.75</b>	
Appropriations:			
Transfer to reserve fund in terms of section 45-IC of the RBI Act, 1934	42.29	6.74	
	<b>42.29</b>	<b>6.74</b>	
Balance at the end of the year	<b>637.27</b>	<b>555.02</b>	<b>409.02</b>
<b>Other reserves</b>			
<b>(iii) Reserve fund in terms of section 45-IC of the RBI Act, 1934</b>			
Balance at the beginning of the year	60.04	53.30	53.30
Add: Received during the year	42.29	6.74	
<b>Balance at the end of the year</b>	<b>102.33</b>	<b>60.04</b>	<b>53.30</b>
<b>(iv) General reserve</b>			
Balance at the beginning of the year	24.01	24.01	24.01
Addition/deduction during the year	-	-	
<b>Balance at the end of the year</b>	<b>24.01</b>	<b>24.01</b>	<b>24.01</b>
<b>(v) Other comprehensive income</b>			
Balance at the beginning of the year	-	-	-
Addition/deduction during the year	-	-	
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other equity</b>	<b>1,743.61</b>	<b>1,619.07</b>	<b>1,466.34</b>

**Nature and purpose of other equity****(i) Securities Premium**

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the

**(ii) Retained earnings**

Retained earnings represents the surplus in profit and loss account and appropriations.

**(iii) Reserve fund in terms of section 45-IC of the RBI Act, 1934**

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

**(iv) General reserve**

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law.

## Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

## 3.1 Interest Income

Particulars	in lakhs	
	For the year ended	
	31 March	
	2020	2019
<b>On financial assets measured at amortized cost:</b>		
Loans	85.96	48.42
Less : Mutual Owning	-	(26.92)
Investments	0.11	-
Debentures	(4.87)	5.42
<b>Total</b>	<b>81.21</b>	<b>26.92</b>

## 3.2 Net gain on fair value changes

Particulars	In Lakhs	
	For the year ended	
	31 March	
	2020	2019
Realised	-	-
Unrealised	(23.67)	15.31
<b>Total</b>	<b>(23.67)</b>	<b>15.31</b>

## 3.3 Other Operating Income

Particulars	In Lakhs	
	For the year ended	
	31 March	
	2020	2019
Dividend income	-	0.07
Profit on trading of shares and securities (net)	-	0.94
<b>Total</b>	<b>-</b>	<b>1.01</b>

## 3.4 Sale of Product

Particulars	In Lakhs	
	For the year ended	
	31 March	
	2020	2019
Sale of Products	324.67	757.60
<b>Total</b>	<b>324.67</b>	<b>757.60</b>

## 3.5 Other Income

Particulars	In Lakhs	
	For the year ended	
	31 March	
	2020	2019
Excess provisions written back	-	1.70
Other Income	-	1.80
<b>Total</b>	<b>-</b>	<b>3.50</b>

## 3.6 Finance Cost

Particulars	In Lakhs	
	For the year ended	
	31 March	
	2020	2019
Other interest expense	0.20	27.61
Less : Mutual Owning	-	(26.92)
<b>Total</b>	<b>0.20</b>	<b>0.69</b>

## 3.7 Impairment on financial instruments measured at amortised cost

Particulars	For the year ended	
	31 March	
	2020	2019
Loans	0.65	0.58
<b>Total</b>	<b>0.65</b>	<b>0.58</b>

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

The table below shows the ECL Charges on financial instruments for the year recorded in the profit and loss based on evaluation stage

Particulars	Year ended 31 March 2020		
	Stage 1	Stage 2	Stage 3
Loans	0.64	0.02	-
Total	0.64	0.02	-

The table below shows the ECL Charges on financial instruments for the year recorded in the profit and loss based on evaluation stage

Particulars	Year ended 31 March 2019		
	Stage 1	Stage 2	Stage 3
Loans	(0.07)	0.65	-
Total	(0.07)	0.65	-

**3.8 Changes in inventories of finished goods and stock-in-trade**

757.60

Particulars	For the year ended 31 March	
	2020	2019
Closing stock of finished goods	57.46	6.52
Closing stock of stock-in-process	57.46	6.52
Less:		
Opening stock of finished goods	6.52	366.62
Opening stock of stock-in-process	-	-
	6.52	366.62
<b>(Increase)/Decrease in Stock</b>	<b>(50.94)</b>	<b>360.10</b>

**3.9 Employee Benefits Expenses**

In Lakhs

Particulars	For the year ended 31 March	
	2020	2019
Salaries and wages	18.32	19.78
Contribution to provident and other funds	0.20	0.58
Staff welfare expenses	2.65	1.32
<b>Total</b>	<b>21.16</b>	<b>21.68</b>

**3.10 Other Expenses**

For the year ended  
31 March

Particulars	For the year ended 31 March	
	2020	2019
Advertisement	1.35	1.65
Annual fees-Stock Exchange	3.54	2.95
Communication expenses	0.31	0.26
CDSL N NSDL	0.83	0.55
Filing Fee	0.09	0.06
Insurance	0.14	0.29
Legal and professional fees	4.29	4.51
Miscellaneous expenses	0.34	2.49
Payment to auditors *	0.90	0.94
Postage and telegram	0.01	0.02
Printing and stationery	0.35	0.27
Provision for standard assets	-	(0.09)
Repairs and maintenance	10.64	5.70
Rent	3.68	3.84
Travelling and conveyance	1.02	0.44
Agriculture expenses	14.43	8.75
Labour Contract Charges	48.71	44.88
Power and fuel	0.90	0.48
Bank Charges	0.02	0.04
Commission	99.20	84.73
<b>Total</b>	<b>190.75</b>	<b>162.75</b>

Notes to standalone financial statements for the year ended 31 March, 2020 (contd.)

3.11 Other Comprehensive Income

Particulars	For the year ended 31 March	
	2020	2019
Items that will not be reclassified to Profit and Loss		
Equity Instrument through Other Comprehensive Income	-	-
Re-measurement of Defined Benefit Plan	-	-
Less: Income Tax	-	-
Items that will be reclassified to Profit and Loss		
Exchange differences on translating foreign operations	-	-
Less: Income Tax	-	-
	-	-

3.12 Earning per Share

Particulars	For the year ended 31 March	
	2020	2019
Profit for the year as per Statement of Profit and Loss	211.46	253.10
Weighted average number of Equity Shares in calculating Basic and Diluted EPS	100475000	100475000
Basic earnings per share	0.21	0.25
Diluted earnings per share	0.21	0.25

## 4.1 Contingent liabilities and commitments

Particulars	(Rs. In Lakhs)		
	As at 31 March		As at 1 April
	2020	2019	2018
(a) Contingent liabilities not provided;	Nil	Nil	Nil
(b) Capital and other commitments	Nil	Nil	Nil

## 4.2 Estimated amount of contracts to be executed

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
	Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

## 4.3 Disclosure of transactions with related parties as required by Ind AS 24

Name of the related party and nature of relationship	Nature of transactions	2020		2019	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
<b>(A) Holding Company, subsidiaries and fellow subsidiaries</b>					
1. Roddic Coffee Estates Private Limited (Subsidiary Company)					
<b>(B) Key managerial personnel and their relatives</b>					
1. Manoj Kumar Agarwal (WTD and Cha	Nil	-	-	-	-
2. Seema Mittal (Director, CFO)	Remuneration	1.80	-	1.80	-
3. Rakesh Chand Agarwal (Director)	Nil	-	-	-	-
4. Deepak Agarwal (Director)	Nil	-	-	-	-
5. Vijay Kumar Jain (Director)	Nil	-	-	-	-
6. Siddharth Dwevedi (Company Secreta	Remuneration	-	-	2.39	-
<b>(C) Enterprises in which KMP their relatives having significant influence</b>					
1. Roddic Consultants P Ltd		-	-	-	-

## 4.4 Event after reporting date

There have been no events after the reporting date that require adjustments/ disclosure in these financial statements

## 4.5 Additional Information

## 4.5.1 Corporate Social Responsibility

Expenditure required to be incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities are Rs. Nil (Previous

## 4.5.2 Segment Reporting

The Company operates in a single reportable segment i.e financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

## 4.5.3 Additional information as required under Schedule III of The Companies Act, 2013 of enterprises consolidated as Subsidiary

Name of the enterprises	Net assets		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount
	Parent Company			
Sulabh Engineers & Services Limited	57.50%	269.42	58.89%	124.54
Subsidiary Company				
Roddic Coffee Estates Private Limited	42.50%	199.16	41.11%	86.92

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

**4.5.4 The Statement Containing The Salient Feature Of The Financial Statement Of A Company's Subsidiary Or Subsidiaries, Associate Company Or Companies And Joint Venture Or Ventures Under The First Proviso To Sub-Section (3) Of Section 129 Shall Be In Form Aoc-1**

Name of Subsidiary Company	Roddic Coffee Estates Private Limited
Reporting date	27-07-20
Reporting Currency	Indian Rupees
Share Capital	500.00
Reserves and Surplus	920.01
Total Assets	4,037.95
Total Liabilities	4,037.95
Investments	-
Turnover	324.67
Profit before tax	177.39
Profit after tax	177.39
Provision for tax (after adjustments)	-
Profit after tax	177.39
Proposed dividend	-
% shareholding of holding company	51%

**4.6 Financial Instruments- Accounting Classifications And Fair Value Measurements (Ind As 107)**

**Classification Of Financial Assets And Liabilities :**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Financial Assets at Amortized Cost</b>			
Cash and cash equivalents	15.02	72.98	80.12
Loans	788.44	670.04	255.16
Investments	300.05	331.79	277.84
Other Financial assets	32.26	6.39	15.14
<b>Financial Assets at Fair Value through profit and loss</b>			
Investments	-	-	-
<b>TOTAL</b>	<b>1,135.77</b>	<b>1,081.20</b>	<b>628.25</b>
<b>Financial Liabilities at Amortized Cost</b>			
Payables	455.19	347.71	344.25
<b>TOTAL</b>	<b>455.19</b>	<b>347.71</b>	<b>344.25</b>

**4.7 Financial Risk Management Objectives and Policies**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework.

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

**a. Market Risk**

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company do not have any exposure to foreign exchange rate and equity price risk.

**b. Credit Risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on six broad categories viz: (i) consumer lending, (ii) SME lending, (iii) rural lending, (iv) mortgages, (v) loan against securities, and (vi) commercial lending. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

**Classification of financial assets under various stages**

The Company classifies its financial assets in three stages having the following characteristics:

- Stage 1 :** unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;  
**Stage 2 :** a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;  
**Stage 3 :** objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12 month Point in Time (PIT) probability weighted probability of default (PD). For stage 2 and 3 assets a life time ECL is calculated based on a lifetime PD.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions.

Financial instruments other than loans were subjected to simplified ECL approach under Ind AS 109 'Financial Instruments' and accordingly were not subject to sensitivity of future economic conditions.

The table below summarises the approach adopted by the Company for various components of ECL viz. PD, EAD and LGD across product lines using empirical data where relevant:

**c. Liquidity and interest rate Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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

The table below summarises the maturity profile of the undiscounted cashflow of the Company's financial liabilities:

**Maturities of Financial Liabilities**

	As at 31 March 2020				
	Due from less than 1 year	Due from 1 to 2 Years	Due from 2 to 5 Years	After 5 years	Total
<b>Particulars</b>					
Trade Payables	455.19	-	-	-	455.19
<b>Total</b>	<b>455.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>455.19</b>
	As at 31 March 2019				
	Due from less than 1 year	Due from 1 to 2 Years	Due from 2 to 5 Years	After 5 years	Total
<b>Particulars</b>					
Trade Payables	347.71	-	-	-	347.71
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347.71</b>
	As at 1 April 2018				
	Due from less than 1 year	Due from 1 to 2 Years	Due from 2 to 5 Years	After 5 years	Total
<b>Particulars</b>					
Trade Payables	344.25	-	-	-	344.25
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344.25</b>



Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

4.8 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through a mix of equity, borrowings and operating cash flows.

The Company's Debt Equity ratio is as below:

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
<b>Total Debt</b>	-	-	-
<b>Total Equity</b>	3,569.36	3,357.90	3,104.80
<b>Debt / Equity Ratio</b>	-	-	-

**Regulatory capital**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Tier I Capital			
Tier II Capital			
Risk weighted assets (RWA)			
Tier I CRAR			
Tier II CRAR			

**Dividend distribution made and proposed**

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
Dividend distribution made	-	-	-
Dividend proposed	-	-	-
	-	-	-

4.9 A comparison between provisions required under IRACP and impairment allowance made under Ind AS 109

Asset Classification as per RBI Norm	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS 109	Loss Allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 (3-4)	6	7 = (4-6)
<b>Performing assets - Loans</b>						
Standard	Stage- 1	1,258.55	4.76	1,253.79	2.52	2.24
	Stage- 2	17.24	1.02	16.21	0.07	0.95
<b>Sub-Total</b>		<u>1,275.79</u>	<u>5.78</u>	<u>1,270.01</u>	<u>2.59</u>	<u>3.19</u>
<b>Non-performing assets - NPA</b>						
Sub-standard	Stage- 3	-	-	-	-	-
Doubtful - upto 1 year	Stage- 3	-	-	-	-	-
1 to 3 years	Stage- 3	-	-	-	-	-
More than 3 years	Stage- 3	-	-	-	-	-
<b>Sub-Total for doubtful</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss	Stage- 3	-	-	-	-	-
<b>Sub-Total for NPA</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Others	Stage- 1	-	-	-	-	-
	Stage- 2	-	-	-	-	-
	Stage- 3	-	-	-	-	-
<b>Sub-Total</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	Stage- 1	1,258.55	-	-	-	-
	Stage- 2	17.24	-	-	-	-
	Stage- 3	-	-	-	-	-
	<b>Total</b>	<u>1,275.79</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 4.10 Fair Value Measurement

## a. Valuation methodologies adopted

**Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:**

Fair values of investments held for trading under FVTPL have been determined under level 1 (refer note no. 48) using quoted market prices of the underlying instruments;

Fair values of strategic investments in equity instruments designated under FVOCI have been measured under level 3 (refer note no. 48) at fair value based on a discounted cash flow model.

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

Fair value of loans held under a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, investments in equity instruments designated at FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

## b. Fair values hierarchy

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1, level 2 and level 3 during the year.

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31-03-20		300.05		

**Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31-03-19		331.79		

**Quantitative disclosures of fair value measurement hierarchy for assets as at 1 April 2018**

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	01-04-18		277.84		

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

Fair value of financial instruments not measured at fair value as at 31 March 2020

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	15.02
Loans	788.44
Investments	300.05
Other financial assets	32.26
	1,135.77
<b>Financial liabilities</b>	
Trade payables	-
Other payables	117.19
	117.19

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
15.02	-	-	15.02
788.44	-	-	788.44
300.05	-	-	300.05
32.26	-	-	32.26
1,135.77	-	-	1,135.77
-	-	-	-
117.19	-	-	117.19
117.19	-	-	117.19

Fair value of financial instruments not measured at fair value as at 31 March 2019

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	72.98
Loans	670.04
Investments	331.79
Other financial assets	6.39
	1,081.20
<b>Financial liabilities</b>	
Trade payables	-
Other payables	9.71
	9.71

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
72.98	-	-	72.98
670.04	-	-	670.04
-	331.79	-	331.79
6.39	-	-	6.39
749.41	331.79	-	1,081.20
-	-	-	-
9.71	-	-	9.71
9.71	-	-	9.71

Fair value of financial instruments not measured at fair value as at 1 April 2018

Particulars	Carrying Value
<b>Financial assets</b>	
Cash and cash equivalent	80.12
Loans	255.16
Investments	277.84
Other financial assets	15.14
	628.25
<b>Financial liabilities</b>	
Trade payables	-
Other payables	13.25
	13.25

Fair value measurement using			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
80.12	-	-	80.12
255.16	-	-	255.16
-	277.84	-	277.84
15.14	-	-	15.14
350.41	277.84	-	628.25
-	-	-	-
13.25	-	-	13.25
13.25	-	-	13.25

Notes to Consolidated financial statements for the year ended 31 March, 2020 (contd.)

4.11 Disclosure of loans / advances and investments in its own shares pursuant to Regulation 53 of SEBI (Listing obligations and disclosure requirements) Regulation, 2015

Particulars	As at 31 March		As at 1 April
	2020	2019	2018
i. Loans and advances in the nature of loans to subsidiaries			
Roddic Coffee and Estates Private Limited	480.09	650.09	1,087.40
ii. Deposits	Nil	Nil	Nil
iii. Guarantees	Nil	Nil	Nil

4.12 Uncertainties relating to the Global Health Pandemic from Covid - 19 ("Covid-19")

In accordance with the RBI Guidelines relating to "Covid-19" Regulatory Package dated March 27, 2020 and April 17, 2020, the Company would be granting / had granted a moratorium of three months on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. For all such accounts where moratorium is granted, the asset classification has been remaining stand still during the moratorium period.

4.13 First time adoption of Ind AS (Ind AS 101)

The Stand Alone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, read with relevant rules issued thereunder in terms of the SEBI LODR.

For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). The adoption of Ind AS was carried out in accordance with Ind AS 101, considering April 1, 2018 as the transition date. Pursuant to adoption of Ind AS, the differences in the carrying amounts of assets and liabilities on the transition date under the previous GAAP and the balances on adoption of Ind AS have been recognised directly in equity. The financial statements for the year ended March 31, 2019 and the Balance Sheet as at the transition date and as at March 31, 2020 have been presented under Ind AS for comparative purposes. Accounting policies have been applied consistently to all periods presented in these Stand alone Financial Results.

**Exemptions and exceptions availed**

**Mandatory Exemptions**

The Company has adopted all relevant mandatory exceptions set out in Ind AS 101 which are as below:

**i Estimates**

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP.

**ii Derecognition of financial assets and liabilities**

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**iii Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**iv Impairment of financial assets**

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

**Optional Exemptions**

**i Investment in Subsidiary**

Ind AS 101 provides a one time option to a first-time adopter either to measure its investment in subsidiaries as per previous GAAP carrying value or at fair value on the date of transition.

The Company has elected to measure its investment in subsidiary as per previous GAAP carrying value.

## 4.14 First Time Adoption-Reconciliation of Equity as previously reported under Previous GAAP to Ind AS

The following reconciliations provides the effect of transition to Ind AS from Previous GAAP in accordance with Ind AS-101.

## a. Effect of Ind AS adoption on the Balance Sheet as at 31 March 2019 and 1 April 2018

Balance Sheet	As at 31 March 2019			As at 1 April 2018		
	Previous GAAP	Ind AS Adjustments	As per IND AS	Previous GAAP	Ind AS Adjustments	As per IND AS
<b>Particulars</b>						
<b>ASSETS</b>						
<b>1) Financial Assets</b>						
(a) Cash and cash equivalents	72.98	0.00	72.98	80.12	0.00	80.12
(b) Bank Balance other than (a) above	-	-	-	-	-	-
(c) Receivables	245.28	-	245.28	94.41	-	94.41
(d) Loans	769.42	99.38	670.04	364.38	109.22	255.16
(e) Investments	297.69	(34.10)	331.79	259.05	(18.79)	277.84
(f) Other Financial assets	-	(6.39)	6.39	-	(15.14)	15.14
<b>2) Non-financial Assets</b>						
(a) Inventories including Biological assets	6.52	-	6.52	366.62	-	366.62
(b) Deferred tax Assets (Net)	1.13	1.13	-	1.54	1.54	-
(c) Property, Plant and Equipment	2,290.04	-	2,290.04	2,291.74	-	2,291.74
(d) Other non-financial assets	-	(90.56)	90.56	-	(90.56)	90.56
<b>Total Assets</b>	<b>3,683.07</b>	<b>(30.53)</b>	<b>3,713.60</b>	<b>3,457.86</b>	<b>(13.72)</b>	<b>3,471.58</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>1) Financial Liabilities</b>						
(a) Payables						
(I) Other Payables	7.02	(2.69)	9.70	12.23	(1.02)	13.25
(b) Borrowings	338.00		338.00	331.00		331.01
<b>2) Non-Financial Liabilities</b>						
(a) Current tax liabilities (Net)	-	-	-	-	(15.00)	15.00
(b) Provisions	5.30	-	5.30	20.39	15.00	5.39
(c) Deferred tax liabilities (Net)	-	(2.70)	2.70	-	(2.15)	2.15
<b>3) EQUITY</b>						
(a) Equity Share capital	1,004.75	-	1,004.75	1,004.75	-	1,004.75
(b) Other Equity	1,719.12	100.05	1,619.07	1,580.97	114.64	1,466.34
(c) Non-controlling interest	608.88	(125.20)	734.08	508.51	(125.20)	633.71
<b>Total Liabilities and Equity</b>	<b>3,683.07</b>	<b>(30.53)</b>	<b>3,713.60</b>	<b>3,457.86</b>	<b>(13.72)</b>	<b>3,471.58</b>

**b. First Time Adoption Reconciliation of Profit and Loss as previously reported under Previous GAAP to Ind AS**

Statement of Profit and Loss	For the year ended 31 March 2019		
	Previous GAAP	Ind AS Adjustments	As per IND AS
<b>Particulars</b>			
<b>Revenue from operations</b>			
Interest Income	27.93	(1.01)	26.92
Net gain on fair value changes	-	15.31	15.31
Sale of Products	757.60	-	757.60
Other operative income	-	1.01	1.01
<b>Total Revenue from operations</b>	<b>785.54</b>	<b>15.31</b>	<b>800.85</b>
Other Income (to be specified)	3.50	-	3.50
<b>Total Income</b>	<b>789.04</b>	<b>15.31</b>	<b>804.35</b>
<b>Expenses</b>			
Finance Costs	0.73	(0.04)	0.69
Impairment on financial instruments	-	0.58	0.58
Changes in Inventory of finished goods and stock-in-trade	360.10	-	360.10
Employee Benefits Expenses	66.55	(44.88)	21.68
Depreciation, amortization and impairment	5.70	-	5.70
Others expenses (to be specified)	117.84	44.91	162.75
<b>Total Expenses</b>	<b>550.93</b>	<b>0.58</b>	<b>551.51</b>
<b>Profit/(loss) before tax (V -VI )</b>	<b>238.11</b>		<b>252.84</b>
Tax Expense:			
(1) Current Tax	(0.81)	(0.00)	(0.81)
(2) Deferred Tax	0.41	0.14	0.55
<b>Profit/(loss) for the year</b>	<b>238.51</b>	<b>(0.14)</b>	<b>253.10</b>
<b>Other Comprehensive Income</b>			
(A) (i) Items that will not be reclassified to profit or loss	-	-	-
(B) (i) Items that will be reclassified to profit or loss	-	-	-
<b>Other Comprehensive Income for the year (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>	<b>238.51</b>	<b>14.59</b>	<b>253.10</b>
<b>Earnings per equity share (for continuing and discontinued operations)</b>			
Basic (Rs.)	0.24	0.01	0.25
Diluted (Rs.)	0.24	0.01	0.25

**c. First Time Adoption - Reconciliation of Equity and Total Comprehensive Income**

Particulars		As at	
		31 March 2019	1 April 2018
<b>Total Equity as reported under previous GAAP</b>	<b>A</b>	3,332.75	3,094.24
<b>Ind AS adjustments on account of:</b>	<b>B</b>		
a. Net gain on fair value changes		34.10	18.79
b. Impairment on financial instruments		(5.13)	(4.54)
c. Deferred Tax Adjustments		(3.82)	(3.69)
<b>Ind AS Adjustments</b>	<b>A + B</b>	3,357.90	3,104.80
<b>Total Equity under Ind AS</b>		3,357.90	3,104.80
<b>(ii) Total Comprehensive Income Reconciliation</b>			
<b>Particulars</b>			<b>As at 31 March 2018</b>
<b>Profit as reported under previous GAAP</b>	<b>A</b>		309.51
<b>Ind AS adjustments on account of:</b>	<b>B</b>		
a. Net gain on fair value changes			18.79
b. Impairment on financial instruments			(4.54)
c. Deferred Tax Adjustments			(3.69)
<b>Profit for the year as per Ind AS</b>	<b>A + B</b>		320.07
<b>Total Comprehensive Income under Ind AS</b>			320.07

### Notes to First time adoption of Ind AS

#### 1 Fair valuation of investments subsequently measured under FVTPL and FVOCI

Under the previous GAAP, investments in Government and trust securities, fixed maturity plans and other mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2018 or Other Comprehensive Income (OCI) depending upon the subsequent measurement category for the investments

#### 2 EIR adjustment of transaction costs/incomes integral to the sourcing of loans/borrowings.

Under previous GAAP, all the transaction costs/incomes integral to sourcing of loans/borrowings were recognised upfront on an accrual basis. Under Ind AS, these transaction costs/incomes related to sourcing of loans/borrowings are amortised using the effective interest rate (EIR) and the unamortised portion is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

#### 3 Deferred Tax Asset

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity

#### 4 Impairment of financial assets

Under previous GAAP, loan losses and provisions were computed basis RBI guidelines and Management estimations. Under Ind AS, the same is required to be computed as per the impairment principles laid out in Ind AS 109 – 'Financial Instruments' which prescribes the expected credit loss model (ECL model) for the same. Accordingly, the difference between loan losses and provisions as computed under previous GAAP and as computed under Ind AS is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

#### 5 Components of Other comprehensive income (OCI)

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Company:

- i. Re-measurement gains/(losses) on defined benefit plans
- ii. Changes in fair value of FVOCI equity instruments
- iii. Changes in fair value of FVOCI debt securities

#### Impact of Ind AS adoption on the Statement of Cash Flows

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows.

4.15 Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable to those with the current year.

---

As per our report of even date

For Sunil Soni & Co.

Chartered Accountants

FRN : 129161W

For and on behalf of Board of Directors

CA Sunil Soni

Proprietor

Membership No. : 123634

Mumbai, July 27, 2020

Manoj Kumar Agarwal

Director

DIN: 01767926

Rakesh Chand Agarwal

Director

DIN: 03539915

## For the financial year 2019-20

Particulars	Gross block			Depreciation and amortization			Net block		
	1 April 2019	Additions	Deduction /adjustments	31 March 2020	1 April 2019	Deduction /adjustments	For the year	31 March 2020	31 March 2020
Freehold Land	2,248.64	-	-	2,248.64	-	-	-	-	2,248.64
Civil Structure	15.98	-	-	15.98	1.34	-	-	1.34	14.64
Buildings	11.22	31.75	-	42.97	0.91	-	2.40	3.31	39.66
Plant and machinery	16.90	-	-	16.90	2.69	-	2.74	5.42	11.48
Bearer Plants	-	-	-	-	-	-	-	-	-
Vehicles	2.85	43.08	-	45.92	1.21	-	5.25	6.46	39.47
Furniture and fixtures	0.42	-	-	0.42	0.15	-	0.07	0.22	0.20
Computers	2.14	-	-	2.14	1.91	-	0.10	2.01	0.13
Office equipments	0.40	-	-	0.40	0.31	-	0.04	0.35	0.05
<b>Sub-total</b>	<b>2,298.55</b>	<b>74.83</b>	<b>-</b>	<b>2,373.39</b>	<b>8.52</b>	<b>-</b>	<b>10.60</b>	<b>19.12</b>	<b>2,354.27</b>
<b>Intangible assets (b)</b>									
Softwares	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,298.55</b>	<b>74.83</b>	<b>-</b>	<b>2,373.39</b>	<b>8.52</b>	<b>-</b>	<b>10.60</b>	<b>19.12</b>	<b>2,354.27</b>

## For the financial year 2018-19

Particulars	Gross block			Depreciation and amortization			Net block		
	1 April 2018	Additions	Deduction /adjustments	31 March 2019	1 April 2018	Deduction /adjustments	For the year	31 March 2019	31 March 2019
<b>Property, plant and equipment (a)</b>									
Freehold Land	2,248.64	-	-	2,248.64	-	-	-	-	2,248.64
Civil Structure	15.98	-	-	15.98	-	-	1.34	1.34	14.64
Buildings	11.22	-	-	11.22	-	-	0.91	0.91	10.30
Plant and machinery	11.90	5.00	-	16.90	-	-	2.69	2.69	14.22
Bearer Plants	-	-	-	-	-	-	-	-	-
Vehicles	12.90	-	10.06	2.85	9.69	9.05	0.57	1.21	1.64
Furniture and fixtures	0.42	-	-	0.42	0.09	-	0.06	0.15	0.27
Computers	2.14	-	-	2.14	1.86	-	0.05	1.91	0.23
Office equipments	0.40	-	-	0.40	0.24	-	0.07	0.31	0.10
<b>Sub-total</b>	<b>2,303.61</b>	<b>5.00</b>	<b>10.06</b>	<b>2,298.55</b>	<b>11.87</b>	<b>9.05</b>	<b>5.70</b>	<b>8.52</b>	<b>2,290.04</b>
<b>Intangible assets (b)</b>									
Softwares	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,303.61</b>	<b>5.00</b>	<b>10.06</b>	<b>2,298.55</b>	<b>11.87</b>	<b>9.05</b>	<b>5.70</b>	<b>8.52</b>	<b>2,290.04</b>

On transition date the Company has elected to carry previous GAAP carrying amount as deemed cost.

Sulabh	334.52	-	10.06	324.46	11.87	9.05	0.31	3.13	321.33
Roddic	1,969.09	5.00	-	1,974.09	-	5.39	-	5.39	1,968.70
Sulabh	2,303.61	5.00	10.06	2,298.55	11.87	14.44	0.31	8.52	2,290.04



**Sulabh Engineers & Services Limited**  
**Consolidated Statement of Cash Flow**

(Rs. In Lakhs)

Particulars	For the year ended 31 March	
	2020	2019
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit and loss	209.78	252.84
Adjustments for :		
Depreciation & amortisation	10.60	5.70
Investment fair value adjustment	23.67	-15.31
Impairment on Financial Instruments	0.65	0.58
Others	1.84	-1.70
Operating profit before working capital changes	<b>246.54</b>	<b>242.11</b>
Adjustment for:		
(Increase) /Decrease in Loans	51.60	22.43
(Increase) /Decrease in Other financial and Non-Financial Assets	-224.34	217.98
(Increase) /Decrease in Investments	8.07	-38.65
(Decrease)/Increase in Other Financial and Non-Financial Liabilities	113.10	-18.15
Cash generated from operations	<b>194.97</b>	<b>425.72</b>
Income Tax	-8.10	0.81
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>186.87</b>	<b>426.53</b>
Cash flow from investing activities		
Payment for purchase and construction of property, plant and equipment		
Purchase of Property, Plant and Equipment including WIP, Investments etc	-74.83	-3.35
Deposits Matured/made during the year	-	-
<b>(B) NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-74.83</b>	<b>-3.35</b>
Cash flow from financing activities		
	-170.00	-430.31
<b>(C) NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-170.00</b>	<b>-430.31</b>
Net increase / (decrease) in cash and cash equivalents	<b>-57.96</b>	<b>-7.13</b>
Cash and cash equivalents at the beginning of the year	72.98	80.12
Cash and cash equivalents at the end of the year	15.01	72.98

**Summary of significant accounting policies**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Sunil Soni & Co.**  
**Chartered Accountants**  
**FRN : 129161W**

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

**CA Sunil Soni**  
**Proprietor**  
**Membership No. : 123634**  
**Mumbai, July 27, 2020**

**Manoj Kumar Agarwal**  
**Director**  
**DIN: 01767926**

**Rakesh Chand Agarwal**  
**Director**  
**DIN: 03539915**

**CFO**  
**Seema Mittal**

**Company Secretary**  
**Siddharth Dwivedi**

This page is left blank intentionally

# SULABH ENGINEERS AND SERVICES LIMITED

CIN: L28920MH1983PLC029879

Regd. Office: 206, 2<sup>nd</sup> Floor, Apollo Complex Premises Cooperative Society, R .K. Singh Marg, Parsi Panchayat Road, Andheri (East), Mumbai-400069 India.

Corporate Office: 17/11, The Mall, Kanpur-208001

Tel.: Registered Office: Tele No- 022-67707822 Fax No. - 022- 67707822

Corp Office: Tele No- 0512-2311226, 2319705 Fax No- 0512- 2363774

Website: www.sulabh.org.in Email. sulabheng22@ gmail.com, sulabhinvestorcell@gmail.com

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting (AGM) of members of Sulabh Engineers and Services Limited will be held on Tuesday, September 29, 2020, at 02:00 P.M. (IST), through Video Conferencing/Other Audio Visual Means (VC/OAVM) Facility to transact following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet (Stand Alone and Consolidated) as at March 31, 2020 the Profit & Loss Account for the year ended on that date together with the Schedules and Notes attached thereto, along with the Reports of the Auditors and Directors thereon.
2. To reappoint Mrs. Seema Mittal, (DIN: 06948908) Director, who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

3. To reappoint Mr. Rakesh Chand Agarwal (DIN: 03539915) as a Non Executive Independent Director of the Company for a second term.

To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors in their respective meeting held on 04<sup>th</sup> September, 2020 and pursuant to provisions of Section 149, 150, 152, and any other applicable provisions (if any) of the Companies Act, 2013, and any rules made there under read with Schedule IV of the Companies Act, 2013, and read with Regulation 17 along with other applicable regulation of the SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015 read along with Article of Association of the Company, Mr. Rakesh Chand Agarwal (DIN: 03539915) who is eligible for reappointment and meets the criteria for independence as provided under section 149(6) of The Companies Act, 2013 and in respect of whom the company has received a Notice in writing from him to proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term commencing from 37<sup>th</sup> Annual General Meeting or the date of the 41<sup>st</sup> Annual General Meeting not liable to retire by rotation.

**“RESOLVED FURTHER THAT** any of the directors or Company Secretary of the Company be and are hereby responsible to do all such acts, deeds and things as may be necessary and expedient to give effect to the aforesaid resolution.”

By the order of Board  
For Sulabh Engineers and Services Limited

Sd/-  
(Siddharth Dwivedi)  
Company Secretary

Date: 04<sup>th</sup> September 2020  
Place: Kanpur

**Notes:****General instructions for accessing and participating in the 37<sup>th</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting**

- (a) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- (b) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- (c) The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- (d) The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (e) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC and cast their votes through e-voting.
- (f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sulabh.org.in](http://www.sulabh.org.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

(g) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

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

- (i) The voting period begins on <26<sup>th</sup> September, 2020 at 9:00 am> and ends on <28<sup>th</sup> September, 2020 at 5:00 pm>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Sulabh Engineers and Services Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

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

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

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

1. Shareholder will be provided with a facility to attend the AGM through VC through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

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

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [sulabheng22@gmail.com](mailto:sulabheng22@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO-3**

The Board on September 04th, 2020 based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Rakesh Chand Agarwal as a Member of the Board and considering that the continued association of Mr. Rakesh Chand Agarwal would be beneficial to the Company, proposed to re-appoint Mr. Rakesh Chand Agarwal as an Independent Director of the Company, not liable to retire by rotation, for a second term effective from September 29, 2020 up to 41st Annual General Meeting. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from him proposing his candidature of for the office of Director. The Company has received from Mr. Rakesh Chand Agarwal (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority. In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Rakesh Chand Agarwal as an Independent Director of the Company for a second term up to 41st Annual General Meeting is being placed before the Shareholders for their approval by way of a special resolution. Mr. Rakesh Chand Agarwal, once appointed, will not be liable to retire by rotation. In the opinion of the Board, Mr. Rakesh Chand Agarwal is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the LODR Regulations, each as amended, and is independent of the Management of the Company. The profile and specific areas of expertise of Mr. Rakesh Chand Agarwal are provided as annexure to this Notice. None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Rakesh Chand Agarwal, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 3 of the Notice. The Board recommends the Resolution set forth in Item No. 3 for the approval of the Members.

**PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED**

**Rakesh Chand Agarwal**

<b>NAME</b>	<b><u>Rakesh Chand Agarwal</u></b>
<b>DIN</b>	<b><u>03539915</u></b>
<b>FATHER'S NAME</b>	<b><u>RAMESH CHAND AGRAWAL</u></b>
<b>D.O.B</b>	<b><u>24/10/1964</u></b>
<b>ADDRESS</b>	<b><u>7/36, Swaroop Nagar KANPUR- 208002</u></b>
<b>QUALIFICATION</b>	<b><u>Graduate</u></b>
<b>EXPERIENCE</b>	<b><u>A businessman with an experience of more than twenty years in the field of Money market</u></b>
<b>OTHER DIRECTORSHIPS</b>	<b><u>Rodic Coffee Estates Private Limited</u></b>
<b>SHAREHOLDING IN THE COMPANY</b>	<b><u>Nil</u></b>

By the order of Board  
For Sulabh Engineers and Services Limited

Sd/-

(Siddharth Dwivedi)  
Company Secretary  
Date: 04<sup>th</sup> September 2020  
Place: Kanpur

<b>Ordinary Business</b>		<b>Optional*</b>	
<b>Resolution No.</b>	<b>Item</b>	<b>For</b>	<b>Against</b>
1	Adoption of financial statement (standalone and consolidated) for the year ended March 31, 2020		
2.	Reappoint Mrs. Seema Mittal, (DIN: 06948908) Director who retires by rotation and being eligible offer herself for reappointment.		
<b>Special Business</b>			
<b>Special Resolution</b>			
3.	Reappointment of Mr. Rakesh Chand Agarwal (DIN: 03539915) as an Independent Director of the Company.		

Signed this ..... day of ..... 2020.

Signature of shareholder

Affix Re1/- Revenue Stamp Here
--------------------------------------

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Bank, not less than 48 hours before the commencement of the Meeting.

2. A person can act as proxy on behalf of Members up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

\* it is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.