

# *SRI AMARNATH FINANCE LIMITED*

## *34<sup>th</sup> ANNUAL REPORT*

*(2018-2019)*

*Dear Shareholders,*

*Your Directors have pleasure in presenting the Thirty fourth Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31, 2019.*

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

## SAVE PAPER, SAVE TREES, SAVE THE EARTH.

Many Shareholders have already asked for paperless annual reports.  
Join them and save paper.  
Just drop us an e-mail.

The Companies Act, 2013, as a part of Green Initiative, allows companies to go for paperless compliances by sending Notice, Annual Report and other related documents by e-mail to its Shareholders. Many of the Shareholders have registered their e-mail address and we thank them for the same. Shareholders, who have not registered their e-mail address so far or wish to change their e-mail address, may, as a support to this initiative, register their e-mail address by sending an e-mail to '[amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com)', quoting their Name, Folio No. / DP ID / Client ID and e-mail address to be registered with us for enabling us to send documents in electronic form.

Also, registering your e-mail address with us will ensure that we directly connect with you and no important communication from our side is missed by you as a Shareholder of the Company.

# CONTENTS

<i>Corporate Information</i>	<i>01-04</i>
<i>Notice</i>	<i>05-18</i>
<i>Director's Report</i>	<i>19-31</i>
<i>Extract of Annual Return</i>	<i>32-45</i>
<i>Corporate Governance Report</i>	<i>46-65</i>
<i>Management Discussion Analysis</i>	<i>66-69</i>
<i>Independent Directors Declaration</i>	<i>70-75</i>
<i>Secretarial Audit Report</i>	<i>76-79</i>
<i>AOC-2</i>	<i>80-81</i>
<i>Auditor's Report</i>	<i>82-90</i>
<i>Balance Sheet</i>	<i>91-91</i>
<i>Profit &amp; Loss Account</i>	<i>92-92</i>
<i>Cash Flow Statements</i>	<i>93-93</i>
<i>Accounting Policies and Notes On Accounts</i>	<i>94-115</i>
<i>Attendance Slip</i>	<i>116-116</i>
<i>Proxy Form</i>	<i>117-117</i>

# **SRI AMARNATH FINANCE LIMITED**

## **CORPORATE INFORMATION**

<b>CIN</b>	:	L74899DL1985PLC020194	
<b>BOARD OF DIRECTORS</b>	:	Rakesh Kapoor Manish Kapoor Rajesh Sabharwal Nishi Seth Harlin Arora Pooja Bedi	Managing Director Director Director Director Director Director
<b>CHIEF FINANCE OFFICER</b>	:	Parveen Kumar	
<b>COMPANY SECRETARY</b>	:	Sumit Bajaj (Appointed on 28.05.2019)	
<b>STATUTORY AUDITORS</b>	:	M/s Vinod Vishal & Co. (Chartered Accountants) R-22/205, IInd Floor, Khaneja Complex, Shakarpur, Delhi-110092.	
<b>INTERNAL AUDITOR</b>	:	M/s. R Garg & Company, Chartered Accountant,	
<b>SECRETARIAL AUDITOR</b>	:	M/s Abhishek Pathak & Associates, Company Secretaries	
<b>REGISTRAR AND TRANSFER AGENT</b>	:	Bigshare Services Pvt. Ltd. 302, Kushal Bazar, 32-33, Nehru Place, New Delhi – 110019	
<b>BANKERS</b>	:	Bank of Baroda 856, Mohan Mansion, Chandni Chowk, New Delhi-110006	

**REGISTERED OFFICE:** 4883-84, Second Floor, Main Road,  
Kucha Ustad Dag, Chandni Chowk,  
Delhi-110006

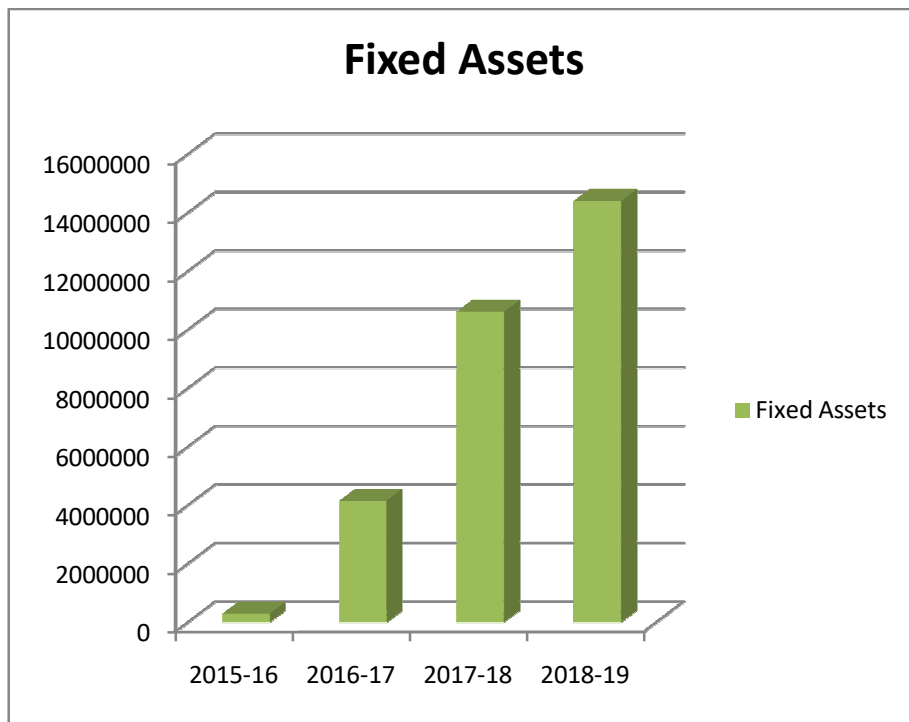
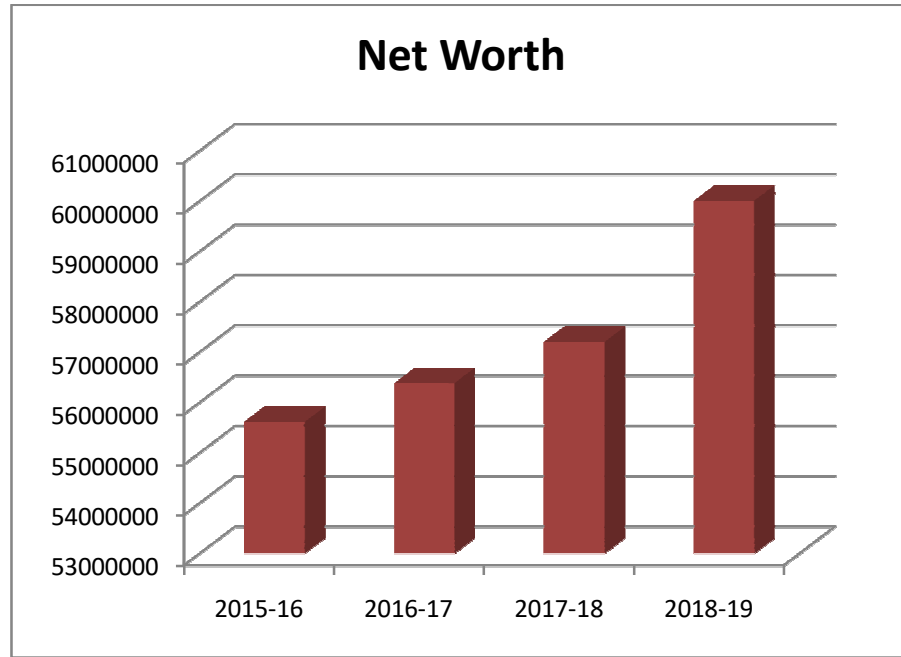
**EMAIL :** [amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com)

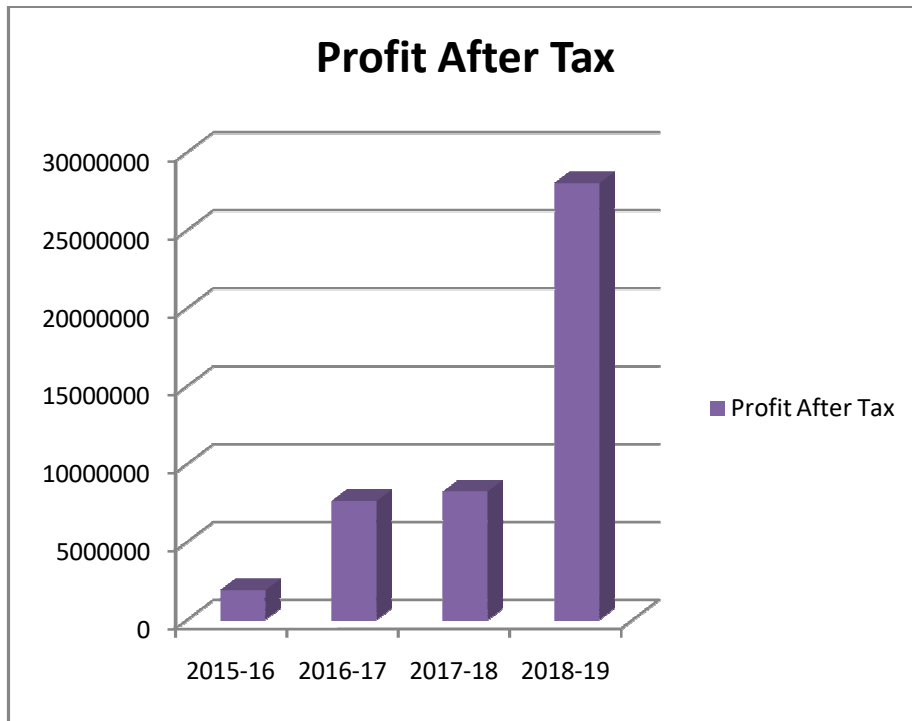
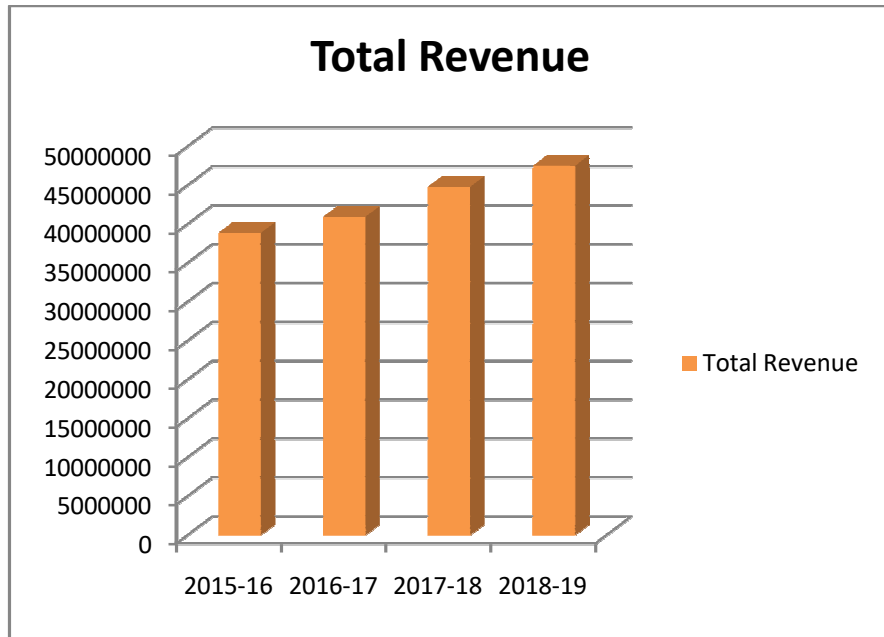
**INVESTORS HELPDESK  
& EMAIL :** Sumit Bajaj  
[amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com)

**WEBSITE :** [www.shriamarnathfinance.in](http://www.shriamarnathfinance.in)

**CONTACT NO. :** 01123953204, 23392222

**KEY PERFORMNCE INDICTORS**





# SRI AMARNATH FINANCE LIMITED

Regd. Off. 4883 – 84, Second Floor, Main Road, Kucha Ustad Dag,  
Chandni Chowk, Delhi – 110006

CIN: L74899DL1985PLC020194

E-mail: sriamarnath@hotmail.com, amarnath01finance@gmail.com

Web-site: [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)

Ph.:01123953204, 23392222

## NOTICE

Dear Member(s)

Notice is hereby given that Thirty Fourth Annual General Meeting of the members of Sri Amarnath Finance Limited will be held on **Friday, September 27, 2019 at 11:00 A.M. at Niskan Sankirtan Mandal, 19/32, Moti Nagar, New Delhi-110015** to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statement consisting of Balance Sheet as on March 31, 2019, the statement of Profit and Loss, Cash Flow Statement for the year ended on March 31, 2019 along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mrs. Nishi Seth (DIN: [01101809](#))**, a Non Executive & Non Independent Director, who retires by rotation at this AGM and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS**

3. To approve the payment of Remuneration to **Mr. Rakesh Kapoor, (DIN: 00216016), Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such remuneration to Mr. Rakesh Kapoor, (DIN: 00216016), Managing Director, for the period from April 1, 2019 to remaining period of such appointment as set out in the statement annexed to the Notice convening this Meeting with the liberty to the

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***



Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

#### 4. Reclassification of Promoter & Promoter Group:

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a Special Resolution:

**“RESOLVED THAT** in accordance with regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other appropriate statutory authorities as may be necessary, the consent of the members of the company be and is hereby accorded to reclassify the following persons (hereinafter individually & jointly referred to as the ‘**Outgoing Promoters & Promoter Group**’)) forming part of the Promoter Group from Promoter & Promoter Group to public category.’

Name of Individual	No. of shares held	% of total equity capital
Surendra Jain	1,82,500	1.83%
Virendra Jain	1,95,400	1.96%
Babita Jain	1,80,500	1.81%
Priti Jain	1,92,500	1.93%
<b>Total</b>	<b>7,50,900</b>	<b>7.53%</b>

**“RESOLVED FURTHER THAT** re-classification of promoter as public shareholders shall be subject to the following conditions:

- i) The aforesaid person(s) do not hold more than 10% of paid up equity share capital of the company. In fact, the aggregate shareholding of all of the above 4 persons is only 7.53% of the share capital of the company. Due to their existing shareholding in the company is very less and they do not exercise any control over the company and are also not engaged in the management of the company.

- ii) That the aforesaid persons/Individuals have not and will continue to not exercise direct or indirect control over the affairs and decision making process of the company. Further they are also never privy to any price sensitive information of the company.
- iii) That the above referred shareholders have not been or would not be appointed as Key Managerial Personnel (KMP) of the company.

**“RESOLVED FURTHER THAT** after such reclassification following persons shall become the promoters of the Company pursuant to the open offer (hereinafter individually & jointly referred to as the ‘New Promoters’):

Name	Number of shares held	% to Paid up capital	Status in open offer
Rakesh Kapoor	1,75,000	1.75%	Acquirer
Manish Kapoor	1,25,000	1.25%	Acquirer
Archana Kapoor	3,85,000	3.86%	PAC
Meenu Kapoor	3,74,100	3.75%	PAC
Raghav Kapoor	3,82,000	3.83%	PAC
Rishabh Kapoor	3,82,400	3.83%	PAC
Uday Kapoor	3,88,800	3.90%	PAC
Karan Kapoor	3,86,600	3.87%	PAC
<b>Total</b>	<b>25,98,900</b>	<b>26.04%</b>	

**“RESOLVED FURTHER THAT** on approval of the SEBI/ Stock exchanges upon application for reclassification of the aforementioned persons, the company shall effect such reclassification in the Statement of shareholding pattern from immediate succeeding quarter under regulation 31 of SEBI (LODR), Regulations, 2015 and compliance to SEBI (Substantial Acquisition of shares and takeovers), Regulations, 2011, Securities and exchange Board of India (Prohibition of insider trading) regulations, 2015, and other applicable provisions.

**“RESOLVED FURTHER THAT** Mrs. Nishi Seth, Director of the company and Sumit Bajaj, Company Secretary or such other person as authorized by the board, be and is hereby authorized to submit application for reclassification to the SEBI Board, Stock exchanges wherein the securities of the company are listed or any other regulatory body as may be required and to take such steps expedient or desirable to give effect to this resolution.

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

**RAKESH KAPOOR**  
DIRECTOR  
DIN: 00216016

Place: Delhi  
Dated: 13.08.2019

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

Notes:

1. The explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details to special business at the meeting, is annexed herewith.
2. Relevant details of the person seeking re-appointment/appointment as Director under Item No. 2 of the Notice, as required under Regulation 26(4) and 36(3) of SEBI (LODR) Regulations, 2015 are annexed hereto as Annexure-I.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books will remain closed from September 21, 2019 to September 27, 2019 (both days inclusive) for determining the names of members eligible for voting at the Meeting.
7. This Notice and Annual Report is being sent to all the members whose name appears as on 23<sup>rd</sup> August 2019 in the register of members/beneficial owners as received from the Registrar and Transfer Agent of the Company.
8. Additional Information as required under clause 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India (“ICSI”) in respect of appointment /re-appointment of directors is furnished and forms a part of the notice.
9. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Saturday, September 21, 2019 (the “Cut off Date”) only shall be entitled to vote through Remote E-voting and at the AGM. A person who is not a member as on the Cut Off date should treat this Notice for information purpose only. The voting rights of a Member shall be in proportion to its share of the paid-up equity share capital of the Company as on the Cut Off date.
10. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days, (except Saturdays and Sundays) between 11.00 A.M. and 1.00 P.M. before the date of the Meeting and copies thereof shall also available for inspection during the aforesaid period.

11. Shareholders can send their queries/complaints, if any, on an exclusive designated e-mail id: [amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com) The shareholders are requested to send their queries, if any, on Annual Report, to the Company Secretary, not less than 7 days before the date of meeting, so that the requisite information/ explanations can be provided in time.
12. Members may address all the correspondences relating to change of address, share transfer, transmission, nomination etc. to the RTA at the below mentioned addresses:  
  
M/s Bigshare Services Private Limited.  
Unit: Sri Amarnath Finance Limited  
302, Kushal Bazar,  
32-33, Nehru Place, New Delhi – 110019  
Email: [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com)  
Tel: 011-42425004, 47565852
13. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM. Members, who have received soft copy of the AGM notice and Annual Report, may request the Company or the RTA for hard copy of the same.
14. The Annual Report of the Company circulated to the Members of the Company, will also be available on the Company's website at <http://www.sriamarnathfinance.in/> and also on website of the respective Stock Exchanges.
15. In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/ serve notice(s) / document(s) / Annual Report(s) etc. to their members through electronic mode, your Company, pursuant to Rule 18 of the Companies(Management and Administration) Rules, 2014, hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative
16. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificate and self attested copies of PAN card of the holders for consolidating their shareholding in one folio. A consolidated share certificate will be issued to such members after making requisite changes thereon.
17. As per the provisions of section 72 of the Act, the facility for making nomination is available to the members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to RTA. Members holding shares in electronic form may submit the same to their respective depository participant.
18. Members, who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant(s) with whom they have opened the de-materialization account to the Company's RTA.

19. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
20. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s).
21. **Updation of Permanent Account Number(PAN)/ Bank Account Details of Members:**  
The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018 has mandated registration of PAN and Bank Account Details for all security holders. Members holding Shares in physical form are therefore, requested to submit their PAN and Bank Account details to Share Transfer Agent of the Company along with self attested copy of PAN and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of Bank passbook/statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
22. **Updation of Member's Details :**  
The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company / Share Registrars and Transfer Agents to record additional details of members, including their PAN details, email address, bank details for payment of dividend etc. A form for compiling the additional details is appended in this Notice as **Annexure-II**.  
Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
23. SEBI has decided that securities of listed companies can be transferred only in dematerialized form, from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
24. The voting for the agenda items as mentioned in the Notice shall be done in the following manner:
  - (i) Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM ("Remote E-voting") in the manner provided below in para 25 during the e-voting period as mentioned in Para 24.
  - (ii) At the venue of AGM, voting shall be done through ballot papers ("Ballot Paper") and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper. Ballot Papers will be made available at the venue of the AGM.
  - (iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.
25. **Voting Through Electronic Means**  
In compliance with Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility of Remote E-voting

to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through e-voting. Remote E-voting is optional and not mandatory. The Company has engaged the services of National Securities Depository Limited (NSDL) for providing Remote E-voting facility to all its Members. The process and manner of Remote E-voting are as under:

### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

### **Details on STEP 1 is mentioned below:**

#### **How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with <b>NSDL</b> .	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with <b>CDSL</b> .	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in <b>Physical Form</b> .	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - (a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csabhishepathak@gmail.com](mailto:csabhishepathak@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **OTHER INFORMATION:**

- i) **The e-voting period commences on September 24, 2019 (9:30 a.m.) and end on September 26, 2019 (5:00 P.M.).** During this period shareholders of the company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii) Any person, who acquire shares of the company and become member of the company after dispatch of the notice and holding shares as of the **cut-off date** i.e., September 21, 2019 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or may contact the RTA of the Company, M/s Bigshare Services Private Limited at [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com) .
- iii) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- iv) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting at the AGM though ballot paper.
- v) The Voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date** of September 21, 2019
- vi) M/s Abhishek Pathak & Associates, Practicing Company Secretary (COP NO. 17464) has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vii) The Chairman shall, at the AGM, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast votes by availing the remote e-voting facility.



- viii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- ix) The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in) and on the website of NSDL on or before September 29, 2019
- x) Pursuant to the prohibition imposed vide Secretarial Standard on the General Meeting (SS-2) issued by ICSI and the MCA Circular, no gifts/coupons shall be distributed at the Annual General Meeting.
- xi) In case of any queries you may refer to the frequently asked questions for members and e-voting user manual for members available at the Download sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no: 1800-222-990 or contact to Pallavi Mhatre, Assistant Manager, NSDL Contact: 022-24994545 email: [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in), [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- xii) Route map for the AGM Venue is also enclosed with the Notice for easy location of the Venue. Copy of the AGM Notice along with the route map will also be available on the website of the Company.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **ITEM No. 3**

Mr. Rakesh Kapoor, (DIN: 00216016) was appointed as the Managing Director of the Company for a term of five (5) years w.e.f. August 14, 2018. The Board at its meeting held on March 28, 2019 has approved payment of remuneration for the period from April 1, 2019 to remaining period of such appointment, for which approval the members is required. The remuneration proposed to be paid to Mr. Rakesh Kapoor, (DIN: 00216016) the Managing Director of the Company has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Brief profile of Mr. Rakesh Kapoor is annexed to the notice. Keeping in view, the vast experience of Mr. Rakesh Kapoor, the Board of Directors has recommended the payment of remuneration for the period from April 1, 2019 to remaining period of such appointment as set out herein below:

**A. Period:** Period of appointment is Five Years w.e.f. 14th August, 2018.

**B. Salary:** The gross Salary will be Rs 230,000/-per month including the Perquisites & Allowances

**C. Perquisites & Allowances:** The following Perquisites & Allowances are included in gross salary

i. House Rent Allowance: House Rent Allowance in accordance with the rules of the Company.

ii. Medical Reimbursement: Expenses incurred for the appointee and his family subject to a ceiling of one month salary in one year.

iii. Leave Travel Concession: As per rules of the Company.

iv. Club Fees: Fees of club subject to maximum of two clubs. This will not include admission and life membership fees.

v. Personal Accident Insurance: Personal Accident Insurance Cover as applicable in line with rules & policies of the Company.

vi. Contribution to Provident Fund: As per Company rules.

vii. Gratuity: As per Company rules subject to maximum of half months salary for each completed year of service.

viii. Encashment of leaves- As per rules of the Company at the end of tenure.

**D. General Information:**

i. Nature of Industry: The Company is a NBFC non deposit taking Company

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***

- ii. Date of Commencement of Activity: 19<sup>th</sup> February, 1985.
- iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Net Profit after Tax increase to Rs. 2.80 Crores as compared to Rs. 82.42 Lakhs in the previous year

Mr. Rakesh Kapoor and the relatives of Mr. Rakesh Kapoor may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the other directors except Mr. Manish Kapoor and Mrs. Nishi Seth /Key Managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be registered as an appropriate disclosure under the Listing regulations. The Board recommends the special resolution set out as Item No.3 of the notice for approval by members.

#### ITEM NO. 4:

The acquirers Mr. Rakesh Kapoor and Mr. Manish Kapoor (hereinafter individually & jointly referred to as the 'New Promoters') had entered into a Share purchase Agreement (SPA) dated 15<sup>th</sup> October, 2015 with the promoter seller namely Mr. Surender Kumar Jain, Mr. Virender Jain, Mrs. Priti Jain, Mrs. Babita Jain and M/s Sunshine Capital Limited (hereinafter individually & jointly referred to as the 'Outgoing Promoters & Promoter Group'), the New Promoters of the Company to acquire 2,230,900 (Twenty Two Lakh Thirty Thousand and Nine Hundred ) Equity Shares constitution 22.35% of the issued and paid up capital of the Company at a price of Rs. 7.05/- per Equity Share. Pursuant to the execution of the SPA, the acquirer had made an open offer to all Public Shareholders in accordance with regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to acquire up to 2594800 equity shares constituting 26% of the Share capital of the company at an offer price of Rs. 35.25/- per Equity Share. In accordance with the SPA and Open Offer the acquires shall be classified as the New promoters of the Company replacing the existing Promoters subject to the approval of the Shareholders as per regulation 31A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

On consummation of the offer period, the acquirer have acquired in total 3,00,000 equity shares from the general public. The open offer was completed on 7<sup>th</sup> March, 2018. The share to be acquired in terms of share purchase agreement has not yet been transferred in view of SEBI's directions. An application has been made by the acquirers and the Company to SEBI and BSE respectively, for the execution of SPA pursuant to point no. 1(b) of SEBI Letter No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated August 07, 2017 read with BSE Letter No. SURV/OFL/AB/2017-18/SHELL/COMP/538863/1 dated January 04, 2018.

As the Denotification of the existing promoters is due to the consummation of open offer, hence request letter dated 13<sup>th</sup> June, 2019 from the Mr. Surendra Kumar Jain, Promoter of the Company on behalf of Mr. Surendra Kumar Jain, Priti Jain, Virendra jain and Babita Jain, existing promoters of the company for reclassification from Promoter & promoter group to Non-Promoter Category. And request letter dated 20<sup>th</sup> June, 2019 from the acquirer for reclassification from public category to promoter & promoter group category. The board of directors at its meeting held on 21<sup>st</sup> June, 2019 decided to place the matter before the shareholders for the approval.

As per regulation 31A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, approval of shareholders is sought for the denotification of the existing promoters i.e. the outgoing promoters and reclassification of the acquirers to the open offer as the new promoters of the Company with effect from the conclusion of this Annual General Meeting.

The Board of directors of the Company at their meeting held on 21<sup>st</sup> June, 2019 has favorably considered the request of the outgoing Entities as one of the outgoing Promoters and has none of the members of the outgoing entities:

- a) The aforesaid person(s) do not hold more than 10% of paid up equity share capital of the company. In fact, the aggregate shareholding of all of the above 4 persons is only 7.53% of the share capital of the company. Due to their existing shareholding in the company is very less and they do not exercise any control over the company and are also not engaged in the management of the company.
- b) Does not have any special right through formal or informal agreement with the company;

- c) That the above referred shareholders have not been or would not be appointed as Key Managerial Personnel (KMP) of the company.

The Board has accorded their approval to the said re-classification subject to the approval of the Shareholders of the company and relevant regulatory authorities,

Further as per rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of this notice already fulfils minimum public shareholding requirement of at least 25% of the total share capital and the proposed reclassification will not result in any decrease in the public Shareholding.

The Board recommends the Special Resolution as set out at Item No. 4 of the notice for the approval of the Shareholders.

Mr. Rakesh Kapoor, Mr. Manish Kapoor, Directors respectively holding 175000 and 125000, equity shares of the Company and their respective relatives may be deemed to be concerned or interested, financially or otherwise, in the resolution as set out at item No. 4 of the Notice, since they are on the Board of the Company. Save and except the above none of the Directors and key managerial Personal of the company and/or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution as set out at team, no. 4 of the notice.

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

**RAKESH KAPOOR**  
**DIRECTOR**  
**DIN: 00216016**

Place: Delhi

Dated: 13.08.2019

**THE DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/FIXATION OF REMUNERATION AS PER REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING AND DISCLOSURE OBLIGATIONS) REGULATIONS 2015 AND SECRETARIAL STANDARD-2 ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA**

Particulars	Mr. Rakesh Kapoor (refer item 3)	Ms. Nishi Seth (refer item 2)
Date of Birth	02-09-1960	02-05-1963
Age (in years)	58 years	56 years
Date of first Appointment	30/04/2014	14-02-2018
Date of Appointment as Independent Director under the Companies Act, 2013 and SEBI Listing Regulations	-	-
Qualification	Under Graduate	Under Graduate

Expertise in specific functional area	Mr. Rakesh Kapoor has been a Director of our Company since 2014. Mr. Rakesh Kapoor has more than 30 years of experience in trading in Fabrics. Also, have good experience in Corporate administration, Corporate image and public relation	Immense experience in the field of Trading and Market Research
Directorships held in Other Companies in India	i) B R Kapoor and Sons Private Limited ii) B R K Overseas Private Limited iii) R M Dress Creations Private Limited iv) B R K Fincap LLP v) BRK Infotech and Developers Private Limited vi) Gangajal Apparels LLP	i) Sidharth & Nishi Creations Private Limited
Chairman/ Member of Committee of the Board of other Companies in which they are Director	NIL	NIL
Shareholding in the Company	175000 equity shares of the Company	NIL
Inter-se Relationship between Directors, Manager and Key Managerial Personnel	Not related to any other director of the company except Mr. Manish Kapoor & Ms. Nishi Seth, Director of the company. Mr. Rakesh Kapoor. is brother of Mr. Manish Kapoor & Nishi Seth.	Not related to any other director of the company except Mr. Rakesh Kapoor & Mr. Manish Kapoor, Director of the company. Ms. Nishi Seth is sister of Mr. Rakesh Kapoor & Manish Kapoor.
Terms and Conditions of Appointment/Re-appointment and Remuneration	Mr. Rakesh Kapoor is Managing Director of the Company.	Ms. Nishi Seth is Non-Executive Non-Independent Director of the Company. She is not paid any remuneration.
Remuneration last drawn	NIL	NIL
Number of Board Meetings attended during the Financial Year 2018-19	7 (Seven)	7 (Seven)

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

**ANNEXURE-II**

To,  
 Bigshare Services Pvt. Ltd.  
 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,  
 Marol, Andheri East, Mumbai 400059, Maharashtra.

**SUB: Updation of Shareholder Information**

I/ We request you to record the following information against our Folio No:

**General Information:**

Folio No :	
Name of the first named Shareholder :	
PAN : *	
CIN/ Registration No : * (applicable to Corporate Shareholders)	
Tel No. with STD Code :	
Mobile No :	
E-mail Id :	

\*Self attested copy of the document(s) enclosed

**Bank Details:**

IFSC : (11 digit)	
MICR : (9 digit)	
Bank A/c Type :	
Bank A/c No : *	
Name of the Bank :	
Bank Branch Address :	

\* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

\_\_\_\_\_  
 Signature of Sole/ First holder

Place:

Date:

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

## **BOARD'S REPORT**

**To**

**The Members of  
Sri Amarnath Finance Limited**

Your Directors are pleased to present their Thirty Fourth Report of the Company together with the audited financial statements for the Financial Year ended on March 31, 2019.

The performance highlights and summarized financial results of the Company are given below:

### **I. INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY**

- ❖ Income from operation for the year was Rs. 4.78 Crores as compared to Rs. 4.48 Crores in 2017-18, a growth of 6%
- ❖ Profit Before Tax for the year was Rs. 3.91 Crores as compared to Rs. 1.18 in 2017-18, a growth of 233%
- ❖ Profit After Tax for the year was Rs. 2.80 Crores as compared to Rs. 82.42 Lakh in 2017-18, a growth of 240%

### **FINANCIAL RESULTS**

(In Rs.)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2019</b>	<b>31<sup>st</sup> March, 2018</b>
Profit/(Loss) after depreciation	4,04,04,147	1,21,43,994
Less: Provisions as per RBI Act		
Contingent Provision for Standard Assets	(1,12,690)	3,90,354
Provision for Doubtful Assets	14,10,000	-
<b>Profit/(Loss)before Tax</b>	<b>39,106,837</b>	<b>1,17,53,640</b>
Less: Provision for Taxation		
Current Tax	11,346,230	37,62,290
Short provision of Tax for earlier year	(1,294)	70,126
Deferred Tax Asset	(262,695)	(3,20,310)
<b>Profit/(Loss) after Tax</b>	<b>28,024,596</b>	<b>82,41,534</b>
Add: Balance brought forward from last year	1,56,61,080	90,67,853
Surplus available for appropriation		
Less: Appropriations		
Fixed Assets written off	-	-
Transfer to reserve Fund u/s 45(IC) of RBI Act 1934	(56,04,919)	(16,48,307)
<b>Surplus Carried to Balance Sheet</b>	<b>3,80,80,757</b>	<b>1,56,61,080</b>

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

**2. DIVIDEND**

The Company did not recommend any dividend for the year.

**3. TRANSFER TO RESERVES**

During the year under review, your Company has transferred a sum of Rs. 5,604,919/- to the reserves from the profits of the Company in accordance with the provisions of section 45IC of the Reserve Bank of India.

**4. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the financial year 2018-19.

**5. NAME OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

Your Company does not have any subsidiary, joint Venture or associate Company

**6. DETAILS OF DEPOSITS COVERED UNDER CHAPTER V OF COMPANIES ACT, 2013**

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 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

As of the end of March 31, 2019, an amount of NIL matured deposits remained unclaimed.

**7. RBI GUIDELINES:**

The company continues to fulfill all the norms and standards laid down by the Reserve Bank of India for the Non Banking Financial Company.

**8. NBFC REGISTRATION**

The Company has been registered with Reserve bank of India as Non Banking Finance Company vides registration no. B-14.01224 dated 4<sup>th</sup> January, 2003

**9. CREDIT RATING**

The directors of the Company are happy to report that the company get its membership certificate from all CICs i.e., Credit Information Bureau (India) Limited (CBIL), Equifax Credit Information Services Private Limited (ECIS), Experian Credit Information Company of India Private Limited, CRIF High Mark Credit Information Services Private Limited. A sound rating/upgrade in a challenged business environment speaks volumes about the Company's performance and its systems & processes.

**10. EXPOSURE TO REAL ESTATE:**

The following are details of loan provided to the companies engaged in real estate business during the financial year 2018-19:

Sr. No	Name of Borrower	Amount as on 31.03.2019 (in Rs.)
1.	Icon Realcon Private Limited	8,74,33,188.00
2.	BRK Infotech & Developers Private Limited	7,76,65,488.00
3.	Max Heights Promoters Private Limited	61,30,029.00
4.	Max Heights Township & Projects P Ltd.	7,54,113.00

**11. DEMATERIALIZATION OF SHARES :**

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN No INE985Q01010 has been allotted for the company. Therefore, the investors may keep their shareholding in the electronic mode with their depository Participant. 67.99% of the Company's paid-up Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2019 and balance 32.01% in physical form.

**12. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

Mrs. Nishi Seth (DIN:[01101809](#)), Non-Executive & Non-Independent Director of the Company, who retires by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The detailed profile of Mrs. Nishi Seth has been included in the Notice convening the ensuing AGM.

Ms. Pooja Bedi (DIN: 0008193642) was inducted as an additional director on 14<sup>th</sup> August 2018 and the Board in its meeting held on 14<sup>th</sup> August 2018 has recommended the appointment of Ms. Pooja Bedi (DIN: 0008193642) as Independent Director for a term of five years from 14<sup>th</sup> August, 2018 to 13<sup>th</sup> August, 2023 and shareholders approved the appointment of Ms. Pooja Bedi as an Independent Director at the 33<sup>rd</sup> Annual General Meeting was held on 25<sup>th</sup> September, 2018.

Ms. Harlin Arora (DIN: 0008193621) was inducted as an additional director on 14<sup>th</sup> August 2018 and the Board in its meeting held on 14<sup>th</sup> August 2018 has recommended the appointment of Ms. Harlin Arora (DIN: 0008193621) as Independent Director for a term of five years from 14<sup>th</sup> August, 2018 to 13<sup>th</sup> August, 2023 and shareholders approved the appointment of Ms. Harlin Arora as an Independent Director at the 33<sup>rd</sup> Annual General Meeting was held on 25<sup>th</sup> September, 2018.



Mr. Surendra Kumar Jain has tendered his resignation from position of the Director of the Company with effect from 13.08.2018 and the same has been filed with the ROC.

Mrs. Priti Jain has tendered her resignation from position of the Managing Director of the Company with effect from 13.08.2018 and the same has been filed with the ROC.

Mr. Rakesh Kapoor, Director of the company designated as Managing Director of the company by the board of directors in their board meeting held on 14.08.2018 for the term of five years starting from 14<sup>th</sup> August, 2018 to 13<sup>th</sup> August, 2023 and same has been approved by the shareholders in their 33<sup>rd</sup> Annual General Meeting held on 25<sup>th</sup> September, 2019.

Mr. Sujan Mal Mehta has tendered his resignation from position of the Independent Director of the Company with effect from 05.12.2018 and the same has been filed with the ROC.

Mr. Rajesh Singal has tendered his resignation from position of the Independent Director of the Company with effect from 07.12.2018 and the same has been filed with the ROC.

Ms. Bhawana Tuli has tendered her resignation from the post of Company Secretary & Compliance officer of the Company with effect from 15.12.2018 and in place the board of directors appointed Ms. Nidhi Jain as Company Secretary & Compliance officer of the company with effect from 12.02.2019.

The Company has received consent in writing to act as directors in Form DIR-2 and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under section (2) of section 164 of the Companies Act, 2013. The Board considers that his association would be immense benefit to the Company and it is desirable to avail his services as Directors.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions contained in Section 134 (5) of the Companies Act, 2013, Your Directors, confirm that:

- i) In the preparation of the annual accounts for the financial year ended on March 31, 2019 the applicable Accounting Standards have been followed and there are no material departures from the same;
- ii) The selected accounting policies were applied consistently and the Directors 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, 2019 and of the profit of the Company for that period.

- iii) Proper and sufficient care has been taken 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;
- iv) The annual accounts have been prepared on a 'going concern' basis.
- v) The Internal financial controls have been laid by the Directors to be followed by the Company and such financial controls are adequate and were operating effectively.
- vi) Proper systems had been devised in compliance with the provision of the all applicable laws and such systems were adequate and operating effectively.

#### **14. EXTRACT OF ANNUAL RETURN**

The extract of annual return in Form MGT-9 as on March 31, 2019 is attached as **Annexure-A** to this Report.

#### **15. CORPORATE GOVERNANCE REPORT**

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A report on the Corporate Governance as required under Regulation 24, 34(3) and 54(f) read with Schedule V of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 is given in this Report as **Annexure-B**.

Details on number of Meetings of Board and Committees and composition of various Committees of the Board including their Terms of Reference are in the annexed Corporate Governance Report.

#### **16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 is annexed as **Annexure-C** and forms part of the Directors' Report.

#### **17. NUMBER OF MEETINGS OF THE BOARD**

During the year, Seven (7) meetings of the Board of Directors were held. For further details, please refer Report on Corporate Governance.

#### **18. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.**

During the year under consideration, Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company under section 143(12) of the Companies Act, 2013.

#### **19. INDEPENDENT DIRECTORS DECLARATION**

Presently the Company has three Independent Directors namely Mr. Rajesh Sabharwal, Ms. Pooja Bedi and Ms. Harlin Arora who have given declaration that they meet the eligibility

criteria of independence as provided in sub-section (6) of Section 149 of Companies Act, 2013. For further details, please refer **Annexure-D** of Report on Corporate Governance.

**20. DISCLOSURE ON THE NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3) (e) AND SECTION 178 (3)**

The Board of the Directors had framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Remuneration Policy is disclosed on the Company's website <http://www.sriamarnathfinance.in>

**21. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:**

In pursuant to the provision of section 177(9) & (10) of the Companies Act, 2013 the company had formulated a Whistle blower policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower policy is available on website of the Company <http://www.sriamarnathfinance.in>

**22. AUDITOR AND AUDITOR'S REPORT**

**Statutory Auditor**

M/s Vinod Vishal & Co., Chartered Accountants, (Firm Registration No. 09112N) was appointed as the Statutory Auditor of the Company in the 30<sup>th</sup> Annual General Meeting till the conclusion of 35<sup>th</sup> Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimers made by the M/s Vinod Vishal & Co., Chartered Accountants, The Statutory Auditor, in their report for the Financial Year ending on March 31, 2019 under review Auditors' Report is annexed herewith and forms a part of Annual report.

**Secretarial Auditors**

Secretarial Audit of the Company has been undertaken by M/s Abhishek Pathak & Associates, a firm of Company Secretaries in Practice. The Report of the Secretarial Audit Report is included as **Annexure- E** and forms an integral part of this report. Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**Internal Auditor**

The Company has appointed M/s. R Garg & Company as an Internal Auditor of the Company for the financial year 2018-19. M/s. R Garg & Company placed the internal audit report to the company which is self explanatory and need no comments.

**23. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS AND THE SECRETARIAL AUDITORS IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors or Secretarial Auditors in their report.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of loans, guarantees and investments covered by the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

**25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Particulars or arrangements with related parties for the financial year 2018-19 are annexed herewith as “Annexure- F” to the financial statements in form AOC-2. The details of related party disclosures also form part of the notes to the financial statements.

**26. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred from the end of the Financial Year 2018-19 till the date of this report except that an ex-parte interim order has been passed on 04.06.2018 by Hon’ble National Company Law Tribunal (NCLT), Delhi Bench against the Company restraining the Company from alienating, encumbering or transferring the fixed assets of the Company and also restraining the company from operating its bank accounts.

The Company in consultation with its legal counsel took a suitable legal action and approached NCLT against the said order. On 11.02.2019 Hon’ble National Company Law Tribunal, (Delhi) vacated all interim orders.

The matter is pending before Hon’ble National Company Law Tribunal (NCLT), Delhi Bench and is listed for further consideration on 17.10.2019

Further there was no change in the nature of business of the Company.

**27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The company does not fall under the industries covered by the companies (Accounts) Rules, 2014. Hence, the requirement of disclosure in relation to the conservation of energy, technology absorption, foreign exchange earnings & outgo are not applicable to it.

	Particulars	Current Year (2018-19)	Previous Year (2017-18)
A	Conservation of Energy	NIL	NIL
B	Technology Absorption	NIL	NIL

C	Foreign Exchange Earning and Outgo	NIL	NIL
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### **28. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The assets of the company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profit, etc other risks which considered necessary by the management. The company has been addressing the various risks impacting the company and the policy of the company on Risk Management is provided as part of Management Discussion and Analysis Report which forms part of this Annual Report.

### **29. CORPORATE SOCIAL RESPONSIBILITY POLICY**

The provisions of Section 135 of companies Act, 2013 are not applicable on your Company.

### **30. EVALUATION BY BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 15 of the Listing Regulations, the Company has devised the policy for performance evaluation of the Independent Directors, Board, Committees and other individual Directors, which includes criteria for performance evaluation of non-executive directors and executive directors.

The evaluation of all the directors and Board as a whole was conducted based on the criteria and framework adopted by the Board. More details regarding evaluation process have been provided under Corporate Governance Report, which forms part of this Annual Report.

### **31. INTERNAL FINANCIAL CONTROLS**

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

### **32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of Section 22 and Section 28 of The Sexual Harassment of Woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-19.

No. of complaint received during		
The financial year 2018-2019	:	0
No of Complaints disposed off	:	0

**33. HEALTH SAFETY AND ENVIRONMENT PROTECTION**

The company has complied with all applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

**34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the period under review, there were no significant and material orders passed by the regulators/ courts or tribunals that would impact going concern status of the Company and its future operations.

However, the Company has in its last Board Report notified its Shareholders that Bombay Stock Exchange has in compliance with the directions issued by SEBI vide its letter dated August 09, 2017 has placed trading restriction on the Company by placing the shares in Stage VI of the Graded Surveillance Measure (GSM). In this regard the Company would like to inform its Shareholders that BSE has vide its letter No. SURV/OFL/AB/2017-18/SHELL/COMP/53886/1 dated January 4, 2018 removed the said restriction and has considered imperative and necessary that forensic audit of the company be carried out and has appointed an independent auditor for the said purpose. The matter is pending.

The Company has in its last Board Report notified its Shareholders that the Company is also in receipt of notice under section 272(4) of Companies Act, 2013 from the office of Regional Director, Northern Region. In this regard the Registrar of Companies, Delhi & Haryana has filed a petition under section 271-272 of the Companies Act, 2013 against the Company before Hon'ble National Company Law Tribunal (NCLT) Delhi bench & an ex-parte interim order has been passed on 04.06.2018 by Hon'ble National Company Law Tribunal (NCLT), Delhi Bench against the Company restraining the Company from alienating, encumbering or transferring the fixed assets of the Company and also restraining the company from operating its bank accounts.

The Company in consultation with its legal counsel took a suitable legal action against the said petition and approached NCLT. On 11.02.2019 Hon'ble National Company Law Tribunal, (Delhi) vacated all interim orders. The matter still pending before Hon'ble National Company Law Tribunal (NCLT), Delhi Bench and is listed for further consideration on 17.10.2019

**35. NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RBI) DIRECTIONS, 2008:**

Pursuant to the Non-Banking Financial Companies' Auditors' Report (Reserve Bank) Directions, 2008, a report from the Statutory Auditors to the Board of Directors has been received by your Company. This report has certified that the Company has complied with all the directions and prudential norms as prescribed under the RBI Act, 1934.

**36. CAPITAL FUND TO RISK WEIGHTED ASSETS:**

Percentage to capital funds to the risk weighted assets/exposures

Particulars	(in %)
Tier-I Capital	130.96%
Tier-II Capital	0.95%
<b>Total</b>	<b>131.31%</b>

**37. PARTICULARS OF EMPLOYEES PURSUANT TO THE SECTION 197 (12) OF COMPANIES ACT AND RULE 5(1), 5(2) AND 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:~

Sr. No.	Name	Designation	% increase in remuneration over financial year 2017-18	Ratio of the remuneration of each Director to median remuneration of employees
1.	Rakesh Kapoor	Director	Nil	Nil
2.	Manish Kapoor	Director	Nil	Nil
3.	Nishi Seth	Director	Nil	Nil
4.	Rajesh Sabharwal	Director	Nil	Nil
5.	Pooja Bedi	Director	Nil	Nil
6.	Harlin Arora	Director	Nil	Nil
07.	Parveen Kumar	Chief Finance Officer	17.01%	NA
08.	Bhawana Tuli*	Company Secretary	25.00%	
09	Nidhi Jain*	Company Secretary	Nil	NA

\*Bhawana Tuli resigned on 15.12.2018 and in place CS Nidhi Jain appointed on 12.02.2019

**The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Not Applicable, as the company has not paid any remuneration to any Directors during the financial year 2018-19 and there is 25% increase in the Salary of Company Secretary and 17.01% increase in the Salary of CFO, KMP during the financial year 2018-19.

**The percentage increase in the median remuneration of employees in the Financial Year:-68.40%, Salary decrease in this financial year is due to decrease in number of employees.**

**The number of permanent employees on the rolls of company:** The company had 06 (Six) employees during the year.

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

Salary decrease in this financial year is due to lay off in number of employees. There is no direct nexus between increases in the salary with the performance of the company; further the Company has paid no remuneration to its Directors during the financial year 2018-19.

**Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company hereby affirm that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**Statement of Particulars of Employees pursuant to the Section 197 (12) of Companies Act and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- a) Details of the employees employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore rupees and two lakh rupees.

Nil

- b) Details of the employees employed for a part of the Financial Year and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

Nil

- c) If employed throughout the Financial Year or part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

Nil

### **38. DISCLOSURE REGARDING RECLASSIFICATION OF PROMOTER & PROMOTER GROUP**

As the stakeholders are aware that the Mr. Rakesh Kapoor and Mr. Manish Kapoor (hereinafter individually & jointly referred to as the 'New Promoters') had entered into a Share purchase Agreement (SPA) dated 15th October, 2015 with the promoter seller namely Mr. Surender Kumar Jain, Mr. Virender Jain, Mrs. Priti Jain, Mrs. Babita Jain and M/s Sunshine Capital Limited



(hereinafter individually & jointly referred to as the 'Outgoing Promoters & Promoter Group'), the New Promoters of the Company to acquire 2,230,900 (Twenty Two Lakh Thirty Thousand and Nine Hundred ) Equity Shares constitution 22.35% of the issued and paid up capital of the Company at a price of Rs. 7.05/- per Equity Share. Pursuant to the execution of the SPA, the acquirer had made an open offer to all Public Shareholders in accordance with regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to acquire up to 2594800 equity shares constituting 26% of the Share capital of the company at an offer price of Rs. 35.25/- per Equity Share. In accordance with the SPA and Open Offer the acquires shall be classified as the New promoters of the Company replacing the existing Promoters subject to the approval of the Shareholders as per regulation 31A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

On consummation of the offer period, the acquirer have acquired in total 300,000 equity shares from the general public. The open offer was completed on 7th March, 2018. The share to be acquired in terms of share purchase agreement has not yet been transferred in view of SEBI's directions. An application has been made by the acquirers and the Company to SEBI and BSE respectively, for the execution of SPA pursuant to point no. 1(b) of SEBI Letter No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated August 07, 2017 read with BSE Letter No. SURV/OFL/AB/2017-18/SHELL/COMP/538863/1 dated January 04, 2018.

As the Denotification of the existing promoters is due to the consummation of open offer, hence request letter dated 13th June, 2019 from the Mr. Surendra Kumar Jain, Promoter of the Company on behalf of Mr. Surendra Kumar Jain, Priti Jain, Virendra jain and Babita Jain, existing promoters of the company for reclassification from Promoter & promoter group to Non-Promoter Category. And request letter dated 20th June, 2019 from the acquirer for reclassification from public category to promoter & promoter group category. The board of directors at its meeting held on 21st June, 2019 decided to place the matter before the shareholders for the approval.

As per regulation 31A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, The Board of directors of the Company at their meeting held on 21st June, 2019 has favorably considered the request of the outgoing Entities with the subject to approval of shareholders is sought for the denotification of the existing promoters i.e. the outgoing promoters and reclassification of the acquirers to the open offer as the new promoters of the Company. The said matter for reclassification of promoters & promoter group has been included in the notice of ensuing Annual General Meeting for the approval of shareholders.

### 39. OTHER INFORMATION

#### a) Disclosure of composition of audit committee

Details regarding composition of the Audit Committee are given in the Corporate Governance Report.

#### b) Board Committees

The Corporate Governance Report also includes details of the various Committees of the Board.

#### c) Sweat Equity Shares, Employee Stock Option

The Company has not issued any Sweat Equity Shares and had not provided any Stock Option Scheme to the employees during the period under review.

### **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from sub-brokers, business associates, vendors, bankers, financial institutions, investors, stakeholders, registrar and share transfer agent, other business affiliates and media.

The Board places on record its sincere appreciation towards the Company's valued clients for the support and confidence reposed by them in the organization and the stakeholders for their continued co-operation and support to the company and looks forward to the continuance of this supportive relationship in future.

Your Directors also place on record their deep sense of appreciation for the devoted services of the employees during the year under review.

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

S/d-

S/d-

**RAKESH KAPOOR**  
**MANAGING DIRECTOR**  
**DIN: 00216016**

**MANISH KAPOOR**  
**DIRECTOR**  
**DIN: 00025655**

**Dated: 13<sup>th</sup> August 2019**  
**Place: Delhi**

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

As on the financial year ended March 31, 2019

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L74899DL1985PLC020194
2.	Registration Date	19/02/1985
3.	Name of the Company	<b>SRI AMARNATH FINANCE LIMITED</b>
4.	Category/Sub-category of the Company	Company Limited by Shares/Non-Government Company
5.	Address of the Registered office & contact details	4883-84, Second Floor, Main Road, Kucha Ustad Dag, Chandni Chowk, Delhi-110006  Phone No. : Ph.:01123953204, 23392222 Email: <a href="mailto:amarnath01finance@gmail.com">amarnath01finance@gmail.com</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PVT. LTD. 302, Kushal Bazar, 32-33, Nehru Place, Delhi-110019. Phone No. : 011-23522373 Email: <a href="mailto:bssdelhi@bigshareonline.com">bssdelhi@bigshareonline.com</a>

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Services	6611	100

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

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

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

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

## (i) Category-wise share holding

Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2018				No. of Shares held at the end of the year : 31/03/2019				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
<b>Indian</b>										
(a)	INDIVIDUAL / HUF	750900	0	750900	7.52	750900	0	750900	7.52	0.00
(b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	1480000	0	1480000	14.83	1480000	0	1480000	14.83	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A)(1) :</b>	<b>2230900</b>	<b>0</b>	<b>2230900</b>	<b>22.35</b>	<b>2230900</b>	<b>0</b>	<b>2230900</b>	<b>22.35</b>	<b>0.00</b>
<b>Foreign</b>										
(a)	BODIES CORPORATE									
		0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL									
		0	0	0	0.00	0	0	0	0.00	0.00
(c)	INSTITUTIONS									
		0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									
		0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total holding for promoters</b>										
	<b>(A)=(A)(1) + (A)(2)</b>	<b>2230900</b>	<b>0</b>	<b>2230900</b>	<b>22.35</b>	<b>2230900</b>	<b>0</b>	<b>2230900</b>	<b>22.35</b>	<b>0.00</b>
<b>(B) Public shareholding</b>										
<b>Institutions</b>										
(a)	Central / State government(s)									
		0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS									
		0	0	0	0.00	0	0	0	0.00	0.00

(c)	MUTUAL FUNDS / UTI									
		0	0	0	0.00	0	0	0	0.00	0.00
(d)	VENTURE CAPITAL FUNDS									
		0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES									
		0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S									
		0	0	0	0.00	0	0	0	0.00	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS									
		0	0	0	0.00	0	0	0	0.00	0.00
(h)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0.00
(i)	ANY OTHERS (Specify)									
		0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
<b>Non-institutions</b>										
(a)	BODIES CORPORATE	0	2655700	2655700	26.61	0	2655700	2655700	26.61	0.00
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	8640	172600	181240	1.82	8640	172600	181240	1.82	0.00
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	4546000	366160	4912160	49.22	4546000	366160	4912160	49.22	(0.00)
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	CLEARING MEMBER	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	NON RESIDENT INDIANS (NRI)	0	0	0	0.00	0	0	0	0.00	0.00
(iv)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(v)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(vi)	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
(vii)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(2) :	4554640	319460	7749100	77.65	4554640	319460	7749100	77.65	0.00
Total Public Shareholding										
	(B)=(B)(1) + (B)(2)	4554640	319460	7749100	77.65	4554640	319460	7749100	77.65	0.00
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										
(a)	SHARES HELD BY CUSTODIANS									

		0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
	(C)=(C)(1)		0		0.00	0	0	0	0.00	0.00
	<b>Grand Total (A) + (B) + (C)</b>	<b>6785540</b>	<b>3194460</b>	<b>9980000</b>	<b>100.00</b>	<b>6785540</b>	<b>3194460</b>	<b>9980000</b>	<b>100.00</b>	<b>0.00</b>

### B) Shareholding of Promoters (Including Promoter's Group)

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	BABITA JAIN*	180500	1.8086	0.0000	180500	1.8086	0.0000	0.0000
2	SURENDRA KUMAR JAIN*	182500	1.8287	0.0000	182500	1.8287	0.0000	0.0000
3	PRITI JAIN*	192500	1.9289	0.0000	192500	1.9289	0.0000	0.0000
4	VIRENDRA JAIN*	195400	1.9579	0.0000	195400	1.9579	0.0000	0.0000
5	SUNSHINE CAPITAL LTD*	1480000	14.8297	0.0000	1480000	14.8297	0.0000	0.0000
		<b>2230900</b>	<b>22.3538</b>	<b>0.0000</b>	<b>2230900</b>	<b>22.3538</b>	<b>0.0000</b>	<b>0.0000</b>

\*The Promoters of company has entered into a Share Purchase Agreement Dated 15-10-2015 for sale of its Shareholding in the Company with M. Rakesh Kapoor & Mr. Manish Kapoor

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	22,30,900	22.35	22,30,900	22.35
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
	At the end of the year	22,30,900	22.35	22,30,900	22.35

**D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	<b>For Each of the Top 10 Shareholders</b>				
1	<b>AVAIL FINANCIAL SERVICES PVT. LTD.</b>				
	At the beginning of the year	1,473,500	14.76%	1,473,500	14.76%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase	No Change			

	/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	1,473,500	14.76%	1,473,500	14.76%
<b>2</b>	<b>WORLDLINK TELECOM LTD.</b>				
	At the beginning of the year	975,000	09.77%	975,000	09.77%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	975,000	09.77%	975,000	09.77%
<b>3</b>	<b>UDAY KAPOOR</b>				
	At the beginning of the year	388800	3.90%	388800	3.90%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	388800	3.90%	388800	3.90%
<b>4</b>	<b>KARAN KAPOOR</b>				
	At the beginning of the year	386600	3.87%	386600	3.87%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			



	At the End of the year (or on the date of separation, if separated during the year)	386600	3.87%	386600	3.87%
5	<b>ARCHANA KAPOOR</b>				
	At the beginning of the year	385000	3.86%	385000	3.86%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	385000	3.86%	385000	3.86%
6	<b>RISHABH KAPOOR</b>				
	At the beginning of the year	382400	3.83	382400	3.83
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	382400	3.83	382400	3.83
7	<b>RAGHAV KAPOOR</b>				
	At the beginning of the year	382000	3.83%	382000	3.83%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated	382000	3.83%	382000	3.83%

	during the year)				
8	<b>MEENU KAPOOR</b>				
	At the beginning of the year	374100	3.75%	374100	3.75%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	374100	3.75%	374100	3.75%
9	<b>SANJEEV NAYYAR</b>				
	At the beginning of the year	195500	1.96%	195500	1.96%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	195500	1.96%	195500	1.96%
10	<b>SANGEETA NAYYAR</b>				
	At the beginning of the year	195000	1.95%	195000	1.95%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year (or on the date of separation, if separated during the year)	195000	1.95%	195000	1.95%

Note: Top ten shareholders includes shareholders who were in top ten either on 01.04.2018 or 31.03.2019 as well as shareholders on top ten category on both the dates

### E) Shareholding of Directors and Key Managerial Personnel:

1.	Name of the Director- Mr. Rakesh Kapoor				
	Designation- Director				
Sl. No.	Particulars	Shareholding at the beginning of the year i.e. April 1, 2018		Cumulative Shareholding during the Year ending March 31, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	175000	1.75%	175000	1.75%
	At the end of the year	175000	1.75%	175000	1.75%
2.	Name of the Director- Mr. Manish Kapoor				
	Designation- Director				
Sl. No.	Particulars	Shareholding at the beginning of the year i.e. April 1, 2018		Cumulative Shareholding during the Year ending March 31, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	125000	1.25%	125000	1.25%
At the end of the year	125000	1.25%	125000	1.25%

Note: None of the other Directors & KMP holds shares in the Company.

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits (in Rs.)	Unsecured Loans (in Rs.)	Deposits (in Rs.)	Total Indebtedness (in Rs.)
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				NIL
<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 due				
<b>Total (i+ii+iii)</b>				

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

(Amt in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total	
1	Gross salary	The company is not paying any remuneration to its Managing Director		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
5	Others, please specify			
	Total (A)			

**B. REMUNERATION TO OTHER DIRECTORS:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total
1	<b>Independent Directors</b>	The company is not paying any remuneration to its Independent Directors			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	<b>Other Non-Executive Directors</b>	The company is not paying any remuneration to its other Non-Executive Directors			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	<b>Total (B)=(1+2)</b>				
	<b>Total Managerial Remuneration</b>	--	--	--	--
	Overall Ceiling as per the Act	Ceiling on Sitting Fees as prescribed under the Act is Rs. 100,000/- per meeting			

**REMUNERATION TO KEY MANAGERIAL PERSONNEL**  
**C. OTHER THAN MD/ MANAGER / WTD**

(Amount in Rs.)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Chief Finance Officer (CFO) (Mr. Parveen Kumar)
		CEO	Company Secretary (CS) *(Ms. Bhawana Tuli)	Company Secretary (CS) *Ms. Nidhi Jain)	
1	Gross Salary	Not Applicable			
	a) Salary as per provisions contained in Section 17(1) of the Income -Tax Act, 1961		3,94,791/-	98,710/-	303,927/-
	b) Value of perquisites u/s 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
2	Stock Option		NIL	NIL	NIL
3	Sweat Equity		NIL	NIL	NIL
4	Commission as % of profit others, specify	NIL	NIL	NIL	
5	Others, please specify	NIL	NIL	NIL	
	<b>Total</b>		3,94,791/-	98,710/-	303,927/-

\*Cs Bhawana Tuli resigned on 15.12.2018 and in place CS Nidhi Jain appointed on 12.02.2019

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NC LT/ COURT ]	Appeal made, if any (give Details)	
<b>A. COMPANY</b>						
Penalty			NIL			
Punishment						
Compounding						
<b>B. DIRECTORS</b>						
Penalty			NIL			
Punishment						
Compounding						
<b>C. OTHER OFFICERS IN DEFAULT</b>						
Penalty			NIL			
Punishment						
Compounding						

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

S/d-

**RAKESH KAPOOR**  
MANAGING DIRECTOR  
DIN: 00216016

S/d-

**MANISH KAPOOR**  
DIRECTOR  
DIN: 00025655

Dated: 13<sup>th</sup> August 2019  
Place: Delhi

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***



**SRI AMARNATH FINANCE LIMITED**  
**REPORT ON CORPORATE GOVERNANCE AS ON MARCH 31, 2019**

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE AND CODE OF CONDUCT**

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is "Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance

**(a) Company's Philosophy on Code of Governance**

The Companies policy on Corporate Governance rests on the pillars of transparency, accountability, integrity, equity and environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprises (performance) and accountability (conformance).

Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions generating quality debates and discussions on major decisions. The Company's corporate governance practices and disclosures are in compliance of the requirements placed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("LODR").

**(b) Code of Conduct**

In terms of the requirement of Regulation 17(5)(a) of LODR (earlier Clause 49(II)(E) of the Listing Agreement)& Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company. The Code is displayed at the Company's website [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in) As required, a declaration duly signed by the Managing Director regarding affirmation of compliance with the Code of Conduct is enclosed as "Annexure-I".

## 2. BOARD OF DIRECTORS

### (a) Composition

The details of composition and category of the Board of Directors of the Company as on March 31, 2019 is given below:

Name and Designation	Category (i.e. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director)	Number of Board Meetings of the Company		Number of other Boards in which he / she is a Director or Chairperson*	** Number of Board Committee(s) in which he / she is a Member or Chairperson	Attendance at the last AGM (held on 25 <sup>th</sup> September 2018)
		Held during the year	Attended during the year			
Mr. Rakesh Kapoor	Executive & Managing Director	7	7	4	0	Yes
Mr. Manish Kapoor	Non – Executive & Non - Independent Director	7	7	3	0	Yes
Mr. Rajesh Sabharwal	Non – Executive Independent Director	7	7	0	1	Yes
Mrs. Nishi Seth	Non – Executive & Non Independent Director	7	7	1	0	Yes
Ms. Pooja Bedi#	Non – Executive Independent Director	3	3#	0	2	Yes
Ms. Harlin Arora#	Non – Executive Independent Director	3	3#	0	2	Yes

\* Including interest in private limited companies but excluding foreign companies and companies under Section 8 of the Companies Act, 2013.

\*\* Includes Chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee only, including this entity.

# Appointed as Independent Director on the Board of the Company on 14-08-2018

### (b) Board Meetings

During the year Financial Year 2018-19 Board met 7 (Seven) times on 26<sup>th</sup> April, 2018, 26<sup>th</sup> May, 2018, 29<sup>th</sup> June, 2018, 14<sup>th</sup> August, 2018, 10<sup>th</sup> November, 2018, 12<sup>th</sup> February, 2019 and 28<sup>th</sup> March, 2019

### (c) Separate Meeting of Independent Directors

In accordance with the provisions of Companies Act 2013 and Regulation 25(3) of LODR, a separate meeting of the Independent Directors of the Company was held on 12<sup>th</sup> February 2019 to discuss the agenda item as prescribed under Regulation 25(4) of LODR. The Meeting was attended by Mr. Rajesh Sabharwal, Ms. Harlin Arora & Ms. Pooja Bedi.

**(d) Terms and Conditions of appointment of Independent Directors**

Terms and conditions of appointment of Independent Director(s) is available at the Company's website at [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)

**(e) Performance evaluation of the Board, Committees and Directors**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committee and Risk Management Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Nomination and Remuneration Committee of the Board had prepared and sent through its Chairman draft parameterized feedback forms for evaluation of the Board, Independent Directors and Chairman.

Independent Directors at a meeting without anyone from the non independent directors and management, considered/evaluated the Board's performance, performance of the Chairman and other non-independent Directors.

The Board subsequently evaluated performance of the Board, the Committees and Independent Directors (without participation of the relevant director).

**(f) Independence and Familiarization Programme for the Independent Directors**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations. Details are familiarization programme as organized by the Company for independent directors in terms of Regulation 25(7) of LODR (earlier Clause 49(II)(B)(7)(a) of Listing Agreement) are appearing on the website of the Company at the web link [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in).

As per Section 149(7) of the Companies Act, 2013, the Company has received declaration of independence from all the Independent Directors as on March 31, 2019.

**(g) Shareholding of Directors**

Sr. No	Name of Director	Designation	No of shares held as on 31 <sup>st</sup> March, 2019
1.	Mr. Rakesh Kapoor	Non -Independent Director	1,75,000
2.	Mr. Manish Kapoor	Non -Independent Director	1,25,000

**(h) Relationships between directors inter-se**

None of the directors are related to each other except Mr. Rakesh Kapoor, Mr. Manish Kapoor & Ms. Nishi Seth as brother & sister.

**3. COMMITTEES**

The Company has Six Board level committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders' Relationship Committee
- d) Risk Management Committee
- e) Asset Liability Management Committee
- f) Investment Committee

**(a) AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

**Brief description of the terms of reference:**

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - ❖ Any changes in accounting policies and practices;
  - ❖ Major accounting entries based on exercise of judgment by management;
  - ❖ Qualifications in draft audit report;
  - ❖ Significant adjustments arising out of audit;
  - ❖ Compliance with accounting standard;
  - ❖ Compliance with stock exchange and legal requirements concerning financial statements;
  - ❖ Any related party transactions as per Accounting Standard 18.
  - ❖ Reviewing the Company's financial and risk management policies.
  - ❖ Disclosure of contingent liabilities.
  - ❖ Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
  - ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
  - ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - ❖ Reviewing compliances as regards the Company's Whistle Blower Policy.
  - ❖ Mandatory review of following information:
    - Management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions, submitted by management;
    - Management letters / letters of internal control weaknesses issued by Statutory Auditors and;
    - Appointment, removal and terms of remuneration of Internal Auditor.

The current Audit Committee of your Company consists of three Directors namely Mr. Rajesh Sabharwal, Ms. Pooja Bedi and Ms. Harlin Arora Independent Directors Members of the Audit Committee possess financial / accounting expertise / exposure.

Mr. Rajesh Sabharwal, an Independent Non-Executive Director is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

During the year ending March 31, 2019, 4 (Four) Audit Committee Meetings were held on May 26, 2018, August 14, 2018, November 10, 2018 and February 12, 2019 Attendance at Audit Committee Meetings was as under:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Rajesh Sabharwal	Chairman	4	4
Mr. Rajesh Singal##	Member	4	2
Ms. Pooja Bedi###	Member	2	2
Ms. Harlin Arora###	Member	2	2
Mr. Sujan Mal Mehta##	Member	4	0
Mr. Surender Kumar Jain@	-	4	0

## Mr. Rajesh Singal and Mr. Sujan Mal Mehta has resigned from the company on 15<sup>th</sup> December, 2018  
 ### Appointed as Member of the committee w.e.f. on 14-08-2018  
 @ Mr. Surender kumar Jain was resigned w.e.f. 13.08.2018

### Powers of Audit Committee:

The audit committee shall have the following powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant with relevant expertise, if it considers necessary.

### Review of Information by Audit committee:

The Audit Committee shall mandatorily review the following information:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of related party transactions (As defined by Audit Committee), submitted by Management;
- Management letters / letters of internal control weakness issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

### (b) NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Remuneration Committee was reconstituted and renamed as Nomination & Remuneration Committee as per the requirements of the Companies Act, 2013.

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for executive director (s)/Manager under the Companies Act, 2013 after taking in to account the financial position of the Company, trend in the industry, appointees qualification, experience, past performance, interest of the Company and members. The Committee also acts a nomination Committee, as per circular of RBI dated 08 May, 2007, to ensure 'fit and proper' status of the Directors

appointed / reappointed and recommend their appointment / reappointment to the Board of Directors. NRC Policy is enclosed.

The current NRC of your Company consists of four directors, namely, Mr. Manish Kapoor, Mr. Rakesh Sabharwal & Ms. Harlin Arora, Members and, Ms. Pooja Bedi Chairman of the Committee.

The Company Secretary of the Company acts as the Secretary of the Committee.

During the financial year 2018-19, 3(Three) NRC meetings were held on 14<sup>th</sup> August, 2018, 12<sup>th</sup> February, 2019 and 28<sup>th</sup> March, 2019.

Attendance at Nomination & Remuneration Committee Meetings was as under:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Pooja Bedi##	Chairperson	3	2
Mr. Rajesh Singal@	Member	3	1
Mr. Manish Kapoor	Member	3	3
Mr. Sujan Mal Mehta@	Member	3	0
Ms. Harlin Arora###	Member	3	2
Mr. Rajesh Sabarwal	Member	3	3

## In place of Mr. Sujan Mal Mehta, Ms. Pooja Bedi appointed as Chairperson of the Committee w.e.f. 14-08-2018  
 ### Appointed as Member of the committee w.e.f. on 14-08-2018  
 @ Resigned w.e.f. 15<sup>th</sup> December, 2018 from the company.

### (c) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The shareholders/investors grievance committee has been renamed and reconstituted as the Stakeholders' Relationship Committee as per the requirements of the Companies Act, 2013.

#### **Scope of the Committee:**

The scope of the Shareholders Grievance Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

The current Stakeholders' Relationship Committee (SRC) of your Company consists of Mr. Manish Kapoor, Ms. Harlin Arora, members and Ms. Pooja Bedi is the Chairman of the SRC and the Company Secretary of the Company act as the Secretary of the SRC.

During the financial year 2018-19, 1 (one) Meeting of SRC has been held on 26<sup>th</sup> May, 2018. Attendance at Shareholders'/Investors' Grievance Committee and / or Stakeholders' Relationship Committee (SRC) Meeting(s):

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Pooja Bedi##	Chairperson	1	NA
Ms. Priti Jain	Member	1	0
Mr. Sujan Mal Mehta	Member	1	0
Mr. Rajesh Singal	Member	1	1
Ms. Harlin Arora###	Member	1	NA
Mr. Surender Kumar Jain@	-	1	0
Mr. Rakesh Kapoor##	-	1	1

## In place of Mr. Rakesh Kapoor, Ms. Pooja Bedi was appointed as the Chairman of the Committee w.e.f. 14.08.2018  
 ### Appointed as Member of the committee w.e.f on 14-08-2018  
 @ Resigned from the company on 13.08.2018  
 @@ Resigned from the Company on 15-12-2018

M/s Bigshare Services Private Limited, New Delhi, is the Registrar & Share Transfer Agent of the Company. The Company has delegated the authority for share transfers to the employee(s) of the Company to ensure that the share transfers are complied regularly. Mr. Sumit Bajaj, Company Secretary is the Compliance Officer of the Company.

During the year 2018-19 there are no pending complaints as of March 31, 2019.

#### (d) RISK MANAGEMENT COMMITTEE

The Board had constituted the committee to understand and assess various kinds of risks associated with the running of business and suggesting/implementing ways and means for eliminating/minimizing risk to the business of the company and periodic review of management control procedures/tools used to mitigate such risks.

The current Risk Management Committee (RMC) of your Company consists of 3 (three) Members namely Ms. Harlin Arora, Mr. Rajesh Sabharwal and Mr. Manish Kapoor.

Ms. Harlin Arora is the Chairperson of the RMC and the Company Secretary of the Company act as the Secretary of the RMC.

During the financial year 2018-19, 2 (two) meeting of RMC has been held on held 26<sup>th</sup>May, 2018 and 29<sup>th</sup> June, 2018.

Attendance at Risk Management Committee Meeting(s):

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Harlin Arora##	Chairperson	2	NA
Ms. Priti Jain	Member	2	0
Mr. Rajesh Sabharwal	Member	2	0
Mr. Manish Kapoor	Member	2	0
Mr. Sujan Mal Mehta@@	Member	2	0
Mr. Rajesh Singal@@	Member	2	2



Mr. Surender Kumar Jain@	-	2	0
Mr. Rakesh Kapoor##	-	2	2

## In place of Mr. Rakesh Kapoor, Ms. Harlin Arora was appointed as the Chairperson of the Committee w.e.f. 14.08.2018  
 @ Resigned w.e.f.13.08.2018 from the company  
 @@ Resigned w.e.f.15<sup>th</sup> December, 2018 from the company

### (e) ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee of the Board comprised of following Directors during the financial year 2018-19:

- |                         |   |          |
|-------------------------|---|----------|
| 1. Mr. Rajesh Sabharwal | : | Chairman |
| 2. Mrs. Priti Jain#     | : | Member   |
| 3. Mr. Rakesh Kapoor    | : | Member   |

# resigned w.e.f.13-08-2018 from the company

The Asset Liability Management Committee of the Board has been entrusted with the following responsibility:

- To ensure proper funding and capital planning, management of market risks, profit planning, forecasting, and analyzing interest rate movement etc.
- The ALCO should actively monitor the Company's liquidity profile and should have sufficiently broad representation across major internal functions that can directly influence the company's liquidity risk profile (e.g. lending, investment securities, whole and retail funding)
- The ALCO should ensure that the risk measurement system adequately identifies and quantifies risk exposure.

### (f) INVESTMENT COMMITTEE:

The Investment Committee of the Board comprised of the following Directors during the financial year 2018-19:

1. Mrs. Priti Jain#
2. Mr. Rajesh Sabharwal
3. Mr. Manish Kapoor

# resigned w.e.f.13-08-2018 from the company

The Investment Committee of the Board has been entrusted with the following responsibilities:

- To keep check on sale and purchase of the investment of the Company.
- Approve Personal and Business Loan
- Approve the opening and operating of Letters of Credits, Buyers Credit, Forex facility etc.

#### 4. REMUNERATION OF DIRECTORS

No remuneration was paid to Directors during the financial year.

#### 5. DETAILS OF GENERAL BODY MEETINGS

- (a) Location and time where the last three Annual General Meetings (“AGM”) were held is as under: -

Meeting	Venue	Date	Time
33 <sup>rd</sup> AGM	NiskanSankirtan Mandal, 19/32 Moti Nagar New Delhi-110015	September 25, 2018	11:00 A.M.
32 <sup>nd</sup> AGM	NiskanSankirtan Mandal, 19/32 Moti Nagar New Delhi-110015	September 19, 2017	11:00 A.M.
31 <sup>st</sup> AGM	16/121-122, Jain Bhawan, 1 <sup>st</sup> Floor, Faiz Road, Karol Bagh, Delhi-110005	September 16, 2016	11:00 A.M.

- (b) Special Resolution passed at the last three Annual General Meetings:

Date of AGM/ EGM	Description of Special Resolution(s)
September 25, 2018	(i) No any Special Resolution transacted in the 33 <sup>rd</sup> Annual General Meeting
May 29, 2018	(ii) Approval for reclassification of shareholding of Promoter & promoter group pursuant to Regulation 31A (5) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and other applicable provisions of the Companies Act, 2013
September 19, 2017	(i) Re-appointment of Mr. Sujna Mal Mehta as Independent Director of the Company, pursuant to section 149, 150 and 152 read with schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules thereunder, for a consecutive period of five years from 10 <sup>th</sup> June, 2017 to 09 <sup>th</sup> June, 2022.
September 16, 2016	(i) Special Approval to approve the transactions with related parties.

- (c) None of the resolution(s) were put through Postal Ballot during the financial year 2018-2019.

## 6. MEANS OF COMMUNICATION

The Company provides unaudited as well as audited financial results to the stock exchanges immediately after being approved by the Board. The quarterly, half yearly and annual results of the Company are published in one English daily newspaper (The pioneer) and one Hindi newspaper (the pioneer).

The Company's shareholding pattern, financial results, Code of Conduct, AGM Notice, Annual Reports, Corporate Governance Reports, Details of familiarization programmes for Independent Directors, Vigil Mechanism (including Whistle Blower Mechanism / Policy), Terms and Conditions for appointment of an Independent Director, Policy on Dealing with related Party Transactions, Investor Contact details etc and other information as required under applicable provisions of the Companies Act, 2013 read with rules made thereunder and LODR including Regulation 46(2) are being displayed at Company's website <http://www.sriamarnathfinance.in/> under the head 'Shareholders Information'.

No presentations were made by the Company to the analysts or to the institutional investors.

## 7. DISCLOSURES

### (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

There have been no material significant related party transaction with the Company's promoters, directors, management or their relatives which may have a potential conflict with the interest of the Company. Members may refer to Disclosure of transactions with related parties i.e. Promoters, Directors, Relatives or Management made in the Balance Sheet in Notes to Accounts.

In compliance of applicable laws, your company has formulated a policy on materiality and dealing with related party transactions and details of the policy is available on the website <http://www.sriamarnathfinance.in/> under the head 'Shareholders Information'.

### (b) Details of non-compliance, penalties, strictures by stock exchanges or Securities & Exchange Board of India ("SEBI") or any statutory authority, on any matter related to the capital markets during last three years:

None, However, Bombay Stock Exchange has in compliance with the directions issued by SEBI vide its letter dated August 09, 2017 has placed trading restriction on the Company by placing the shares in Stage VI of the Graded Surveillance Measure (GSM). In this regard the Company would like to inform its Shareholders that BSE has vide its letter No. SURV/OFL/AB/2017-18/SHELL/COMP/53886/1 dated January 4, 2018 removed the said restriction and has considered imperative and necessary that forensic audit of the company be carried out and has appointed an independent auditor for the said purpose. The matter is pending.

### (c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel have been denied access to the Audit Committee.

The Board has approved the Whistle Blower Policy, a mechanism for employees to report to the management concern about unethical behavior, actual or suspected fraud or violation of the company's code of conduct. The mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year under review no personnel has been denied access to the audit committee. The Company has adopted a formal Vigil Mechanism/Whistle-blower policy. The approved policy is available on the company's website [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)

**(d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements as specified in specified in Part E of Schedule II:**

The Company had duly complied with all the mandatory requirements under Chapter IV of the LODR. The Company had not adopted the non-mandatory (discretionary) requirements as mentioned in Part E of Schedule II of the LODR except that the Company has separate post for the Chairman as well as the Managing Director and that the Internal Auditor reports directly to the Audit Committee.

**(e) Web link where policy for determining 'material' subsidiaries and policy for dealing related party transactions.**

Since the Company has no subsidiary, policy for determining material subsidiary is not applicable.

Policy for dealing related party transactions can be accessed at: [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in).

**(f) Disclosure of commodity price risks and commodity hedging activities**

Not Applicable

**(g) Disclosure of compliance with Corporate Governance Requirements**

The Company has duly complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR.

**(h) Disclosure of accounting treatment**

The Company has followed the Accounting standards laid down by the Companies Act, 2013.

## 8. GENERAL SHAREHOLDERS INFORMATION

(a)

(i)	AGM: Date, Time and Venue	<i>Friday, 27<sup>th</sup> September 2019 at 11: 00 A.M. NiskanSankirtan Mandal, 19/32 Moti Nagar New Delhi-110015</i>
(ii)	Financial Year	April 01, 2018 to March 31, 2019
(iii)	Date of Book Closure	21 <sup>st</sup> September 2019 to 27 <sup>th</sup> September 2019 (both days inclusive)
(iv)	Dividend Payment Date	N.A.
(v)	Listing on Stock Exchanges	BSE Limited (BSE), PhirozeJeejeebhoy Tower Dalal Street, Mumbai-400 001. Also listed at Delhi Stock Exchange and UP Stock Exchange  It is hereby confirmed that Listing fees of BSE up to 2018-2019 duly paid.
(vi)	Stock Code	BSE- 538863 UP Stock Exchange S00117 Delhi Stock Exchange: 4868

(b) **Market Price Data: High, Low on BSE Limited (BSE) during each month in the last Financial Year 2018-19**

MONTH	Price per equity share of the face value of Rs.10/- each		MONTH	Price per equity share of the face value of Rs.10/- each	
	HIGH	LOW		HIGH	LOW
APRIL	-	-	OCTOBER	-	-
MAY	-	-	NOVEMBER	-	-
JUNE	-	-	DECEMBER	-	-

JULY	-	-	JANUARY	-	-
AUGUST	-	-	FEBRUARY	-	-
SEPTEMBER	-	-	MARCH	-	-

*(Source: This information is compiled from the data available from the websites of BSE)*

**(c) Performance of Sri Amarnath Finance Limited share prices in comparison to BSE sensex(Monthly Closing)**

Sufficient data is not available on the website of BSE India ([www.bseindia.com](http://www.bseindia.com)) for presenting the comparative digramme as shares of the company are not frequently traded. Shares of the Company were only traded in May 2015 the details of which are given in para (b) above.

**(d) Registrar & Share Transfer Agent:**

M/s Bigshare Services Private Limited  
302, Kushal Bazar, 32-33, Nehru Place New Delhi-  
110019  
**Email:** [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com)  
**Phone:** +91-11- 42425004  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**(e) Share Transfer System**

- The Share transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents.
- All matters connected with the share transfer, dividends and other matters are being handled by the RTA located at the address mentioned elsewhere in this report.
- Shares lodged for transfers are normally processed within ten days from the date of lodgement, if the documents are clear in all respect. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within seven days. Grievances received from investor and other miscellaneous correspondence relating to change of address, mandates, etc.
- Certificates are being obtained and submitted to stock exchanges, on half-yearly basis from a Company Secretary-in-practice towards due compliance of share transferred formalities by the Company within the due dates, in terms of Regulation 40(9) of SEBI (LODR) Regulation, 2015.
- Certificate have also been received from Company Secretary-in- practice and submitted to the stock exchange, on quarterly basis, for timely dematerialization of shares of the company and for reconciliation of the share capital of the company, as required under SEBI (Depositories and participants) Regulations, 1996.
- The Company has designated email id namely [amarnath01fiance@gmail.com](mailto:amarnath01fiance@gmail.com) for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

- Shareholders are therefore, requested to correspond with RA for transfer/transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc at their address given in this report.

**(g) Distribution of Shareholding as on March 31, 2019**

No. of Shares held	Folios		Shares held	
	Nos.	%	Nos.	%
up to 5000	955	92.2705	104000	1.0421
5001 -10000	14	1.3527	12800	0.1283
10001 - 20000	6	0.5797	10300	0.1032
20001-30000	3	0.2899	8500	0.0852
30001-40000	1	0.0966	3740	0.0375
40001-50000	1	0.0966	4900	0.0491
50001-100000	5	0.4831	37000	0.3707
100001 and above	50	4.8309	9798760	98.1840
<b>TOTAL</b>	<b>1035</b>	<b>100</b>	<b>9980000</b>	<b>100</b>

• *Shareholding Pattern as on March 31, 2019*

Category	No. of Shareholders	No. of shares in physical form	No of Shares in Demat Form	% of shareholding
Promoters	5	-	2230900	22.3537
Body Corporate	6	2655700	-	26.6102
NRIs/ OCBs/Clearing Members/Trust	-	-	-	-
Bank/Financial Institutions	-	-	-	-
Indian Public	1024	538760	4554640	51.0361

HUF	-	-	-	-
<b>TOTAL</b>	<b>1035</b>	<b>3194460</b>	<b>6785540</b>	<b>100</b>

**(g) Dematerialization of shares and liquidity:**

The shares of the company are permitted for trading on dematerialized form only. The company's shares are available for trading in the depository system of both NSDL and CDSL. As on March 31, 2019, number of 6785540/- equity shares of Rs. 10/- of the equity share capital of the company stands dematerialized. The ISIN with NSDL and CDSL is INE985Q01010.

**(h) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs / Warrants or any convertible instruments.

**(i) Commodity price risk or foreign exchange risk and hedging activities:**

None

**(j) Corporate Office/Address of Correspondence** 4883-84, Second Floor, Main Road, Kucha Ustad Dag, Chandni Chowk Delhi-110006

**Website** [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)  
**E-mail ID** [amarnath01fiance@gmail.com](mailto:amarnath01fiance@gmail.com)

*Investors' Correspondence:* may be Addressed to M/s Bigshare Services Private Limited  
 302, Kushal Bazar, 32-33, Nehru Place New Delhi-110019  
 +9111-42425004

**Website** <http://www.bigshareonline.com/>  
**E-mail ID** [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com)

**(k) Sri Amarnath Finance Limited - Unclaimed Suspense Account ("Unclaimed Suspense Account")**

The details of equity shares ("shares") held in an Unclaimed Suspense Account are as follows:

S No.	Particulars	Details
1.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the financial year 2018-19.	NIL
2.	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the financial year 2018-19.	NIL



3.	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2018-19.	NIL
4.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the financial year 2018-19.	NIL

Note: Voting rights on the above mentioned equity shares would remain frozen till the owner of such equity shares claims the shares.

## 9. OTHER INFORMATIONS

### (a) Management Discussion and Analysis Report

A Management Discussion and Analysis Report which forms part of the Annual report is given by means of a separate annexure and is attached to the Directors' Report.

### (b) Certificate from Statutory Auditor regarding compliance of conditions of corporate governance

A certificate from the statutory auditor is enclosed as “**Annexure-II**” certifying the compliance of corporate governance requirements by the Company.

### (c) CEO/CFO Certificate

In terms of the requirement of the Regulation 17(8) of the LODR, the certificates from CEO/CFO had been obtained is enclosed as “**Annexure III**”.

- (d) As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimation etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

**RAKESH KAPOOR**  
MANAGING DIRECTOR  
DIN: 00216016

**MANISH KAPOOR**  
DIRECTOR  
DIN: 00025655

Dated: 13<sup>rd</sup> August 2019  
Place: Delhi

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

Annexure-I  
Corporate Governance Report  
of Sri Amarnath Finance Limited

**DECLARATION REGARDING AFFIRMATION OF COMPLIANCE WITH THE CODE OF  
CONDUCT**

I hereby confirm that the Company has received affirmations on compliance with the Code of conduct for the financial year ended March 31, 2019 from all the Board Members and Senior Management Personnel pursuant to the requirements of Regulation 26(3) of LODR.

For **SRI AMARNATH FINANCE LIMITED**

PLACE: DELHI  
DATE: 13<sup>TH</sup> AUGUST, 2019

**RAKESH KAPOOR**  
**MANAGING DIRECTOR**  
(DIN: 00216016)

**CERTIFICATE ON CORPORATE GOVERNANCE**

**TO THE MEMBERS OF  
SRI AMARNATH FINANCE LIMITED**

We have examined all relevant records of **SRI AMARNATH FINANCE LIMITED** (“the Company”), for the purpose of certifying of the conditions of corporate Governance under regulation 34(3) and 54(f) read with Schedule V of SEBI (LODR) Regulation, 2015 for the financial year March 31, 2019. I have obtained all the information and explanations, which are to the best of my knowledge and belief, were necessary for the purpose of certification.

The Compliance of the condition of corporate Governance is responsibility of the management. My examination has been limited to a review of the procedure and implementations thereof. This certificate is neither an assurance for the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

On the basis of my examination of the records produced explanations and information furnished, we certify that the company has complied with the conditions of corporate governance as stipulated in Regulation 34(3) and 54(f) read with Schedule V of SEBI (LODR) Regulation, 2015.

**FOR M/S. VINOD VISHAL & CO.  
(CHARTERED ACCOUNTANTS)  
FIRM REG. NO. 09112N**

Sd/-

**CA. DIVYA GUPTA  
(PARTNER)  
M. NO. 537766**

**PLACE: DELHI**

**DATED: 28.05.2019**

***SRI AMARNATH FINANCE LIMITED  
ANNUAL REPORT 2018-2019***

**CEO/CFO CERTIFICATE**

**TO THE BOARD OF DIRECTORS OF  
SRI AMARNATH FINANCE LIMITED**

This is to certify that:

1. We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended 31 March 2019 and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal or violative of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
4. We have indicated to the Auditors and the Audit & Risk Management Committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**RAKESH KAPOOR**  
MANAGING DIRECTOR  
(DIN:00216016)

**PARVEEN KUMAR**  
CHIEF FINANCE OFFICER

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

In compliance of Regulation 34(3) and 54(f) read with Schedule V of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find Management Discussion and Analysis Report forming part of Annual Report.

### 1. Industry Structure & Developments

The long-term fundamentals of Indian economy continue to be strong due to rising incomes and large investments these growth drivers are expected to sustain over a long period. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

NBFCs are integral part of the country's financial system complementing the services of commercial banks. The main reason attributed to the growth of NBFCs is the comprehensive revaluation of the banking system. Other factors include high level of customer orientation, lesser pre/post sanctions requirements and higher rates of interest on deposits being offered by NBFCs.

### 2. Opportunities and Threats

#### OPPORTUNITIES

- The players in the NBFC sector still have a lot of scope to cover large market and rural markets are still untapped.
- With the increased desire of individuals to improve their standard of living the NBFC industry is getting to new category of client (individuals) in a big way with large share of business coming from this segment part from corporate clients.
- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization
- Focus on selling new product/services

#### THREATS

- If the economic downturn is prolonged it can reduce the financing need of people due to shrinking business opportunities.
- Private banks are also working on the similar business model as the NBFCs do thereby giving a very strong competition to the NBFCs

- RBI and government restrictions: with more stringent norms governing the functioning of NBFC and certain government restrictions act as a hindrance in smooth functioning of NBFC.
- Inflation could trigger increase in consumer price inflation, which would dampen growth
- Increased competition in both local & overseas markets
- Unfavorable economic development
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

### 3. Segment-wise/ Product-wise Performance

Segment reporting is not applicable to the Company. Company is engaged in the business of granting loans and making investments.

The total turnover of the company from its operation for the year under review is Rs. 4,74,87,844 thus thereby registering a growth of 7% (approx) from last year. i.e., 2017-18

### 4. Risks and Concerns

As an NBFC, Sri Amarnath Finance Limited exposed to credit risk, liquidity risk and interest rate risk. The Company has invested in people, processes and technology to mitigate risks posed by external environment and by its borrowers. To mitigate these risks, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach, it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighting the pros and cons of such a decision-making takes note of the risk attributable

The Company continues to have a conservative provisioning policy which is significantly more stringent than the RBI norms.

### 5. Internal Control Systems and Their Adequacy

The Company's well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations. The Internal Control systems are guided to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly. The Company has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis. The Company's internal auditors review business processes and controls. The Audit Committee of the Board then discusses significant findings and corrective measures initiated

## 6. Discussion on Financial Performance with respect to Operational Performance

The details of the financial performance of your Company are reflected in the Balance Sheet, Profit & Loss Account and other Financial Statements, appearing separately. Highlights are provided below:

(Rs.)

Particulars	2019	2018
Revenue from Operations	47,487,844	4,47,65,529
Other Income	-	51,026
Total Revenue	47,487,844	4,48,16,555
Profit Before Interest, Depreciation & Tax	39,106,837	1,50,57,476

The financial performance of your Company has been further explained in the Directors' Report of your Company for the year 2019, appearing separately.

## 7. Economic Outlook

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

## 8. Human Resources

The Company keeps developing its organizational structure consistently over time efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel; are directed on imparting continuous training to improve the management practices. The objective of your company is to create a workplace where every person can achieve his or her potential. The employees are encouraged to put in their best. Lots of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long term objectives of your company.

The employees are satisfied and having good relationship with management.

## 9. Cautionary Statement

Certain statements in the Management Discussion and Analysis describing your Company's views about the industry, expectations/predictions, objectives etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied in these statements. Your Company's operations may, inter-alia, be affected by the supply and demand situations, input prices and availability, changes in Government regulations, tax laws, government or court decisions and other factors such as industry relations and economic developments etc. Investors should bear this in mind when considering the above statements.

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

**RAKESH KAPOOR**  
**MANAGING DIRECTOR**  
**DIN: 00216016**

**MANISH KAPOOR**  
**DIRECTOR**  
**DIN: 00025655**

**Dated: 13<sup>th</sup> August 2019**  
**Place: Delhi**



### DECLARATION OF INDEPENDENCE

To  
The Board of Directors,  
Sri Amarnath Finance Limited  
4883-84, Second Floor, Main Road,  
Kucha Ustad Dag, Chandni Chowk, Delhi-110006

Dear Sir

**Sub:** Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013

I, **RAJESH SABHARWAL**, hereby certify that I am a Non-executive Independent Director of Sri Amarnath Finance Limited and comply with all the criteria of independent director as envisaged under section 149(6) of Companies Act, 2013. I hereby certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
3. I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
4. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
5. Neither me nor any of my relatives:
  - a. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b. is or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year –
    - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
6. holds together with my relatives 2% or more of the total voting power of the company; or
  7. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
  8. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  9. I am not less than 21 years of age.

### **DECLARATION**

**I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.**

**Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.**

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,  
Yours faithfully,

**RAJESH SABHARWAL**  
**(INDEPENDENT DIRECTOR)**  
**DIN: 08065166**

## DECLARATION OF INDEPENDENCE

To  
The Board of Directors,  
Sri Amarnath Finance Limited  
4883-84, Second Floor, Main Road,  
Kucha Ustad Dag, Chandni Chowk, Delhi-110006

Dear Sir,

**Sub:** Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013

I, **Pooja Bedi**, hereby certify that I am a Non-executive Independent Director of Sri Amarnath Finance Limited and comply with all the criteria of independent director as envisaged under section 149(6) of Companies Act, 2013. I hereby certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
3. I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
4. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
5. Neither me nor any of my relatives:
  - a. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b. is or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year –
    - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
6. holds together with my relatives 2% or more of the total voting power of the company; or

7. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
8. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
9. I am not less than 21 years of age.

### **DECLARATION**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,  
Yours faithfully,

**POOJA BEDI**  
**(INDEPENDENT DIRECTOR)**  
**DIN: 0008193642**

## DECLARATION OF INDEPENDENCE

To  
The Board of Directors,  
Sri Amarnath Finance Limited  
4883-84, Second Floor, Main Road,  
Kucha Ustad Dag, Chandni Chowk, Delhi-110006

Dear Sir

**Sub:** Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013

I, **Harlin Arora**, hereby certify that I am a Non-executive Independent Director of Sri Amarnath Finance Limited and comply with all the criteria of independent director as envisaged under section 149(6) of Companies Act, 2013. I hereby certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
3. I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
4. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
5. Neither me nor any of my relatives:
  - a. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b. is or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year –
    - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
6. holds together with my relatives 2% or more of the total voting power of the company; or

7. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
8. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
9. I am not less than 21 years of age.

### **DECLARATION**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,  
Yours faithfully,

**HARLIN ARORA**  
**(INDEPENDENT DIRECTOR)**  
DIN: 0008193621

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2019**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,

**The Members,**  
**Sri Amarnath Finance Limited**  
**4883-84, 2<sup>nd</sup> Floor, Main Road Kucha Ustad Dag,**  
**Chandni Chowk, Central Delhi 110006**

We have conducted the secretarial audit of the compliance of applicable statutory provisions to **Sri Amarnath Finance Limited** here in after referred to as ("**the company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct (**Not applicable to the company during the audit period**).
- v. Investment and External Commercial Borrowings; (**Not applicable to the company during the audit period**).

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

- vi. The Reserve Bank Act, 1934  
Non-Banking Financial Company - Systematically Important and Non Systematically Important Non-Deposit taking Company (Reserve Bank) Directions as at the beginning of the financial year 2018-19 the company was NBFC ND Systemically Important company till 1st quarter and for remaining 3 quarters its status changed to Non-Systemically Important Company.
- vii. 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 as the Company has not issued any further share capital during the period under review).**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable as the Company has not made & issued any stock option scheme during the period under review)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the Company has not issued and listed any debt securities during the period under review).**
  - 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 as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the period under review).**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable as there was no reportable event during the period under review).**

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

- i. Secretarial Standards SS-1 & SS-2 issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with Stock Exchange(s),
- iii. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***



Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that:**

*The Registrar of Companies, Delhi has filed a winding up petition against company under section 271 & 272 of Companies Act, 2013 in the month of May, 2018 in Hon'ble NCLT Delhi. And the matter is sub judice.*

Date: 13.08.2019

Place: Delhi

for Abhishek Pathak & Associates  
Company Secretaries

M No.47517

CP No.17464

*(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.)*

**Annexure- A**

To,

**Sri Amarnath Finance Limited**

**4883-84, 2<sup>nd</sup> Floor, Main Road Kucha Ustad Dag,  
Chandni Chowk, Central Delhi 110006**

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

- i. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. 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 followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iv. Wherever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of provisions of corporate and other applicable laws, rules, regulations & standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

**Date: 13.08.2019  
Place: Delhi**

**for Abhishek Pathak & Associates  
Company Secretaries**

**M No.47517  
CP No.17464**

[Annexure-F](#)

***SRI AMARNATH FINANCE LIMITED  
ANNUAL REPORT 2018-2019***

**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 transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis – NONE**

Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**2. Details of material\* contracts or arrangements or transactions at Arm's length basis (during the financial year 2018-19)-**

S. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1	BR Kapoor and Sons Private Limited (Private Company in which Director is Director/Member)	Loan Given/ Interest received or accrued during the year/ Loan received/ Interest accrued last year but received during the year	On Going	The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs. 39,60,000/- on a loan given by the Company.	30.04.2014	NIL
2	BRK Infotech & Developers Private Limited (Private Company in which Director is Director/Member)	Loan Given/ Interest received or accrued during the year/ Loan received/ Interest accrued last year but received during the year		The company has in ordinary course of business at arm length interest rate received/ accrued interest amounting to Rs. 52,65,000/- on a loan given by the Company	30.04.2014	NIL
3	Mr. Rakesh Kapoor (Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year		The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs. 22,50,000/- on a loan given by the Company.	30.04.2014	NIL
4	Mr. Karan Kapoor (Relative of Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year		The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs.5,40,000/- on a loan given by the Company.	30.04.2014	NIL
5	Mr. Manish Kapoor (Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year		The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs. 22,70,959/- on a loan given by the Company and disbursed loan of Rs. 50,00,000/-.	30.04.2014	NIL
6	Mr. Raghav Kapoor (Relative of Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year		The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs.4,50,000/- on a loan given by the Company and repayment of loan of	30.04.2014	NIL

			Rs. 15,00,000/-.		
7	Mr. Rishab Kapoor (Relative of Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year	The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs. 5,27,425/- on a loan given by the Company and repayment of loan of Rs. 15,00,000/-.	30.04.2014	NIL
8	Mrs. Ramesh Kumari Kapoor (Relative of Director)	Interest received or accrued during the year	The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs.12,72,106/- on a loan given by the Company.	30.04.2014	NIL
9	Mr. Uday Kapoor (Relative of Director)	Interest received or accrued during the year/ Interest accrued last year but received during the year	The company has in ordinary course of business at arm length interest rate received/acrued interest amounting to Rs.4,49,458/- on a loan given by the Company and repayment of loan of Rs. 50,00,000/-.	30.04.2014	NIL

*Note: \*Material – Since the definition of Material is not defined/ provided under Companies Act, 2013 read with rules made thereunder, an inference is being drawn from the explanation to Regulation 23(1) of the SEBI (LODR) Regulations 2015, i.e., transaction with related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a Financial Year, exceeds 10% of the Annual Consolidated Turnover of the Company as per the last audited Financial Statements of the Company*

By order of the Board of Directors  
For **SRI AMARNATH FINANCE LIMITED**

**RAKESH KAPOOR**  
**MANAGING DIRECTOR**  
**DIN: 00216016**

**MANISH KAPOOR**  
**DIRECTOR**  
**DIN: 00025655**

**Dated: 13<sup>th</sup> August 2019**  
**Place: Delhi**

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

## **Independent Auditors' Report**

**TO THE MEMBERS OF SRI AMARNATH FINANCE LIMITED**

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

#### **Opinion**

We have audited the accompanying Standalone financial statements of Sri Amarnath Finance Limited ("the company"), which comprises the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31<sup>st</sup> March 2019 and its profit/loss and its cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial

performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating electively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act, we give in the Annexure A, a statement on the Matters specified in the paragraph 3 and 4 of the Order.

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

a) ehavesoughtandobtainedalltheinformationandexplanationswhichtothebestofourknowledge and belief were necessary for the purposes of our audit

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

- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid and alone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The basis of the written representations received from the directors as on 31 March, 2019, take non record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- 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 litigation which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR VINOD VISHAL & CO  
CHARTERED ACCOUNTANTS  
FRN No. 09112N

Place : Delhi  
Date : 28.05.2019

CA. DIVYA GUPTA  
(PARTNER)  
M. No. 537766

## Annexure - A to the Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) According to explanation given to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us the company has not held any immovable property as on 31.03.2019.
- (ii) The Company is a service company, primarily rendering Finance services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company
- (iii) The Company has granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (a) according to information given to us rate of interest and other terms and conditions of grant of such loan to bodies corporate listed in registered maintained under section 189 of the act is not prejudicial to the interest of the Company.
  - (b) according to information given to us the loan granted to the bodies corporate listed in the registered maintained under section 189 of the company act 2013 the borrowers have been regular in the payment of principal and interest as stipulated.
  - (c) According to information given to us, there is no overdue amounts in respect of the loan granted to a bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The company has not accepted any deposited from the public



- (vi) According to the information and explanation given to us, the provision of the clause (3)(vi) are not applicable to the company as the company is not engaged in the production of goods or providing services covered by the companies (cost records and audit) rules, 2014.
- (vii)
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authority.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- b) According to information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of custom or duty of excise or value added tax have not been deposited by the Company on account of any dispute
- (viii) Based on our audit procedure and as per the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of loan or borrowing to a financial institution or bank.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loan.
- (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 has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us managerial remuneration has been paid or provided in accordance of requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies 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 based on 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and the registration has been obtained.

FOR VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 09112N

CA. DIVYA GUPTA  
(PARTNER)  
M. No. 537766

Place: Delhi  
Date: 28.05.2019

## **Annexure – B to the Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of Sri Amarnath Finance Limited (“the Company”) as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

### **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

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***

operating effectively as at 31<sup>st</sup>March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 09112N**

**CA. DIVYA GUPTA  
(PARTNER)  
M. No. 537766**

**Place : Delhi  
Date: 28.05.2019**

**SRI AMARNATH FINANCE LIMITED****BALANCE SHEET AS AT 31.03.2019**

(INR)

PARTICULARS	NOTE NO.	AS AT 31ST March ,2019	AS AT 31ST March, 2018
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders Funds</b>			
(A) Share Capital	3	99,800,000	99,800,000
(B) Reserves And Surplus	4	500,311,283	472,286,687
<b>2 Non Current Liabilities</b>			
(A) Long Term Provision	5	3,834,703	2,537,393
<b>3 Current Liabilities</b>			
(A) Other Current Liabilities	6	190,710	417,629
(B) Short Term Provisions	7	1,667,707	191,344
<b>TOTAL</b>		<b>605,804,403</b>	<b>575,233,053</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(A) Fixed Assets	8	14,408,957	10,622,271
(B) Non-Current Investments	9	13,130	13,130
(C) Deferred Tax Assets	10	1,089,786	827,091
(D) Long-Term Loans And Advances	11	458,675,799	486,848,137
<b>2 Current Assets</b>			
(A) Cash And Cash Equivalentents	12	129,445,312	69,995,691
(B) Short-Term Loans And Advances	13	360,785	360,785
(C) Other Current Assets	14	1,810,635	6,565,948
<b>TOTAL</b>		<b>605,804,403</b>	<b>575,233,053</b>

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR VINOD VISHAL & CO.

FOR SRI AMARNATH FINANCE LIMITED

CHARTERED ACCOUNTANTS

FRN No. 09112N

Divya Gupta

(Partner)

M.NO. 537766

RAKESH KAPOOR

(Managing Director)

DIN: 00216016

MANISH KAPOOR

( Director)

DIN : 00025655

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

Date: 28.05.2019

SUMIT BAJAJ  
 (Company Secretary)

M. No. A45042

PARVEEN KUMAR  
 Chief Finance Officer

## **SRI AMARNATH FINANCE LIMITED**

### **STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2019**

(INR)

PARTICULARS	NOTE NO.	Current Period 2018-19	Previous Period 2017-2018
Revenue From Operations	15	47,487,844	44,765,529
Other Income	16	-	51,026
<b>Total Revenue</b>		<b>47,487,844</b>	<b>44,816,555</b>
Employee Benefits Expenses	17	1,498,605	4,866,857
Depreciation And Amortization Expenses	8	3,530,207	2,913,482
Administration & Other Expenses	18	2,054,885	24,892,222
<b>Total Expenses</b>		<b>7,083,697</b>	<b>32,672,561</b>
<b>Profit After Depreciation</b>		<b>40,404,147</b>	<b>12,143,994</b>
Less: Contingent Provision For Std. Assets	19	(112,690)	390,354
Less: Provision For Doubtful Assets	19	1,410,000	-
<b>Profit Before Tax</b>		<b>39,106,837</b>	<b>11,753,640</b>
<b>Tax Expense</b>			
Current Tax		11,346,230	3,762,290
Excess/Short Provision of Tax for Earlier Year		(1,294)	70,126
Deferred Tax		(262,695)	(320,310)
<b>Profit (Loss) For The Period</b>		<b>28,024,596</b>	<b>8,241,534</b>
Earning Per Equity Share			
Basic		2.81	0.83
Diluted		2.81	0.83

*Schedules referred to above and notes attached there to form an integral part of Statement of Profit & Loss*

*This is the Statement of Profit & Loss referred to in our Report of even date.*

FOR VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 09112N

FOR SRI AMARNATH FINANCE LIMITED

Divya Gupta  
(Partner)  
M.NO. 537766

RAKESH KAPOOR  
(Managing Director)  
DIN: 00216016

MANISH KAPOOR  
(Director)  
DIN : 00025655

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**

Place: New Delhi  
Date: 28.05.2019

SUMIT BAJAJ  
(Company Secretary)  
M. No. A45042

PARVEEN KUMAR  
Chief Finance Officer

## SRI AMARNATH FINANCE LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

(IN LACS)

	PARTICULARS	2018-19	2017-2018
<b>A.</b>	<b><u>CASH FLOWS FROM OPERATION ACTIVITIES :</u></b>		
	Net Profit Before Tax and Extraordinary Items	391.07	117.54
	<b>Adjustments For :</b>		
	Depreciation	35.30	29.13
	Bad debts Written off	15.03	227.27
	Profit/loss on sale of investment/ fixed asset	-	-
	Operating Profit Before Working Capital Changes	441.40	373.94
	<b>Adjustments For :</b>		
	Increase/Decrease In Current Assets	47.55	40.89
	Increase/Decrease In Current Liabilities	25.47	1.11
	Increase/Decrease In Loans & Advances	266.69	(1,203.15)
	Cash Generated From Operations	781.11	(787.21)
	Direct Tax Paid	(113.45)	(38.32)
	<b>Net Cash From Operating Activities</b>	<b>667.67</b>	<b>(825.53)</b>
<b>B.</b>	<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
	Purchase of Fixed Assets	(73.17)	(110.01)
	Sale of Fixed Assets		16.24
	Sale of investment	-	-
	<b>Net Cash Used In Investment Activities</b>	<b>(73.17)</b>	<b>(93.77)</b>
<b>C.</b>	<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
	<b>Net Cash From In Financing Activities</b>	<b>-</b>	<b>-</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>594.50</b>	<b>(919.30)</b>
	CASH & CASH EQUIVALENTS (Opening Balance)	699.96	1,619.26
	<b>CASH &amp; CASH EQUIVALENTS (Closing Balance)</b>	<b>1,294.45</b>	<b>699.96</b>

Schedules referred to above and notes attached there to form an integral part of Statement of Profit & Loss  
This is the Statement of Profit & Loss referred to in our Report of even date.

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

FOR VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
FRN No. 09112N

FOR SRI AMARNATH FINANCE LIMITED

DIVYA GUPTA  
(Partner)  
M.NO. 537766

RAKESH KAPOOR  
(Managing Director)  
DIN: 00216016

MANISH KAPOOR  
( Director)  
DIN : 00025655

Place: New Delhi  
Date: 28.05.2019

SUMIT BAJAJ  
(Company Secretary)  
M. No. A45042

PARVEEN KUMAR  
Chief Finance Officer

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**



**Note 1: CORPORATE INFORMATION**

**SRI AMARNATH FINANCE LIMITED** is a public company incorporated in India. The company is engaged in the business of Non Banking Financial Company as defined in Section 45-IA of Reserve Bank of India Act, 1934. The company has its registered office at New Delhi.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES****(a) Basis for preparation of Accounts:**

The financial Statement have been prepared in conformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ('AS') as amended, the relevant provisions of the companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to an Non - Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

**(b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

**(c) Fixed Assets**

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

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cot comprise of purchase price and directly attributable expenditure on making the assets ready for its intended use.

#### **(d) Depreciation & Impairment of Assets**

Depreciation on fixed assets is provided on written down value method over the useful life and in the manner prescribed in Schedule- II to the Companies Act, 2013.

#### **(e) Investment**

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. As in case of **SRI AMARNATH FINANCE LIMITED** such decline is presumed to be temporary hence no provision has been created.

#### **(f) Revenue Recognition**

##### **(i) Loan Income**

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

##### **(ii) Dividend income on investments**

**(iii)** Is accounted for as and when the right to receive the same is established.

**(iv)** No income is recognized in respect of Non- performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification no.DFC.NO.119/DG/(SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

#### **(g) Provisions of Assets**

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms

Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 207/03.02.002/2010-11 issued by Reserve Bank of India.

#### **(h) Provisions, contingents Liabilities and contingent Assets**

(i) A Provision is recognized when the company has present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ii) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

- (a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (b) a possible obligation, unless the probability of outflow of resources is remote.

(iii) Contingent Assets are neither recognized, nor disclosed in the financial statements

#### **(i) Employee Benefits**

Company do not follow the provision of the accounting Standard-15 "Employee benefits" as the company do not employ more than 10 personnel. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also.

In case the company's employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

**(j) Taxation**Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provision of the Income Tax Act, 1961 and the other applicable tax laws.

Deferred Tax

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

**(k) Earning per share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted averages number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

**(l) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statements comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

**Notes to Financial Statements****NOTE 3. SHARE CAPITAL**

IN (Rs )

PARTICULARS	AS AT	
	31ST MARCH 2019	31st MARCH 2018
<b>Authorised Share Capital</b> 10,000,000 ( Previous Year 10,000,000) Equity Share of Rs. 10 Each	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed &amp; Paid up Share Capital</b> Shares at the end of the Accounting Period 99,80,000 (Previous Year 99,80,000 ) Equity Shares of Rs. 10/-	99,800,000	99,800,000
	<b>99,800,000</b>	<b>99,800,000</b>

3.1 The company has only one class of equity Shares having Par Value of Rs. 10 per Share. All these Shares have Same right & preferences with respect to payment of dividend, repayment of Capital & Voting.

3.2 The reconciliation of the number of Shares outstanding is set out Below

PARTICULARS	AS AT	
	31ST MARCH 2019	31st MARCH 2018
<b>Equity Shares at the beginning of the year</b>	9,980,000	9,980,000
Add : Issued during the year	-	-
Equity Shares at the end of the Year	<b>9,980,000</b>	<b>9,980,000</b>

3.3 **Shares In The Company Held By Each Shareholder Holding More Than 5% shares**

Name of the Shareholders	AS AT		AS AT	
	31ST MARCH 2019		31st MARCH 2018	
	% of Shares held	No. Of Share	% of Shares held	No. Of Share
Sunshine Capital Limited	14.83	1,480,000	14.83	1,480,000
Avail Financial Services Private Limited	14.76	1,473,500	14.76	1,473,500
Worldlink Telecom Limited	9.77	975,000	9.77	975,000

**Notes to Financial Statements****NOTE 4: RESERVES & SURPLUS**

IN (Rs)

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
<b><u>Reserve Under Section 45(IC) of Reserve Bank of India Act, 1934</u></b>		
At The Beginning Of The Accounting Period	6,616,327	4,968,020
Additions During The Year	5,604,919	1,648,307
At The End Of The Accounting Period	12,221,246	6,616,327
<b><u>Investment Allowance Reserve</u></b>		
At The Beginning Of The Accounting Period	9,280	9,280
Additions During The Year	-	-
At The End Of The Accounting Period	9,280	9,280
<b><u>Securities Premium Account</u></b>		
At The Beginning Of The Accounting Period	450,000,000	450,000,000
Additions During The Year	-	-
At The End Of The Accounting Period	450,000,000	450,000,000
<b><u>Surplus</u></b>		
At The Beginning Of The Accounting Period	15,661,080	9,067,853
Additions During The Year	28,024,596	8,241,534
<b>(Balance In Statement Of Profit &amp; Loss)</b>		
<b><u>Transfer To Reserves</u></b>		
<b>Reserve U/S 45(IC)</b>	(5,604,919)	(1,648,307)
Fixed assets Written off		-
At The End Of The Accounting Period	38,080,757	15,661,080
<b>Grand Total</b>	<b>500,311,283</b>	<b>472,286,687</b>

**NON CURRENT LIABILITIES :-****NOTE: 5 LONG TERM PROVISION**

IN (Rs)

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Provision for Standard Assets	1,834,703	1,947,393
Provision for Bad Debts	2,000,000	590,000.00
<b>Grand Total</b>	<b>3,834,703</b>	<b>2,537,393</b>

Notes to Financial Statements

## CURRENT LIABILITES :-

## NOTE 6 : OTHER CURRENT LIABILITIES

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Expenses Payable	190,710	417,629
<b>Grand Total</b>	<b>190,710</b>	<b>417,629</b>

## NOTE 7 : SHORT TERM PROVISION

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Provision for Taxation	1,667,707	191,344
<b>Grand Total</b>	<b>1,667,707</b>	<b>191,344</b>

Notes to the Financial StatementNote : 8 Fixed Asset

IN`

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block		
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Adjustment	Deduction during the year	Value at the end	WDV as on 31.03.2019	WDV as on 31.03.2018
I	<b>Tangible Assets</b>												
1	Vehicles	8 Year	1,673,710	-	-	1,673,710	1,673,710	-	-	-	1,673,710	-	-
2	Air Conditioner	5 years	91,000	-	-	91,000	88,213	-	-	-	88,213	2,787	2,787
3	Office Equipment	5 years	6,400	-	-	6,400	6,400	-	-	-	6,400	-	-
4	Furniture & fixture	10 Years	1,490,525	-	-	1,490,525	1,331,723	41,940	-	-	1,373,662	116,863	158,802
5	Car	8 Years	13,499,701	7,316,893	-	20,816,594	3,058,922	3,479,201	-	-	6,538,123	14,278,470	10,440,779
6	Invetor	5 years	31,500	-	-	31,500	11,596	9,066	-	-	20,662	10,837	19,904
	<b>SUB TOTAL</b>		<b>16,792,836</b>	<b>7,316,893</b>	<b>-</b>	<b>24,109,729</b>	<b>6,170,564</b>	<b>3,530,207</b>	<b>-</b>	<b>-</b>	<b>9,700,771</b>	<b>14,408,957</b>	<b>10,622,271</b>
	<b>Total (Current Year)</b>		<b>16,792,836</b>	<b>7,316,893</b>	<b>-</b>	<b>24,109,729</b>	<b>6,170,564</b>	<b>3,530,207.23</b>	<b>-</b>	<b>-</b>	<b>9,700,771</b>	<b>14,408,957</b>	<b>10,622,271</b>
	<b>(Previous Year)</b>		<b>8,991,635</b>	<b>11,001,201</b>	<b>3,200,000</b>	<b>16,792,836</b>	<b>4,832,820</b>	<b>2,913,482.24</b>	<b>-</b>	<b>1,575,739</b>	<b>6,170,564</b>	<b>10,622,271</b>	<b>4,158,814</b>

In Terms Of Our Report Of Even Date Annexed

FOR VINOD VISHAL & CO.  
 CHARTERED ACCOUNTANTS  
 FRN No. 09112N

FOR SRI AMARNATH FINANCE LIMITED

Divya Gupta  
 (Partner)  
 M.NO. 537766

RAKESH KAPOOR  
 (Managing Director)  
 DIN: 00216016

MANISH KAPOOR  
 (Director)  
 DIN : 00025655

Place: New Delhi  
 Date: 28.05.2019

SUMIT BAJAJ  
 (Company Secretary)  
 M. No. A45042

PARVEEN KUMAR  
 Chief Finance Officer



**Notes to Financial Statements****NON CURRENT ASSETS :-****NOTE 9: NON CURRENT INVESTMENT**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Quoted Equity Shares	-	-
Investment in Jewellery	13,130	13,130
<b>Grand Total</b>	<b>13,130</b>	<b>13,130</b>

\* Market value of Shares Quoted Shares

-

-

\*\* Fair Value of shares

-

-

**NOTE 10 : DEFFERED TAX ASSETS (NET)**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Opening Balance	827,091	506,781
Created During the Year	262,695	320,310
<b>Closing Balance</b>	<b>1,089,786</b>	<b>827,091</b>

**NOTE :11 LONG TERM LOAN & ADVANCES**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
<b>Unsecured Loan</b>		
<b>Loan &amp; Advances to Others</b>		
Loans at agreement values less installment received (include overdue Amount)		
Standard Assets	242,682,378	289,393,990
Doubtful Assets (NPA)	-	-
<b>Loan &amp; Advances to Related Parties</b>		
Loan at agreement values less installment received (include overdue Amount)		
Standard Assets	215,993,421	197,454,147
Doubtful Assets (NPA)	-	-
<b>Grand Total</b>	<b>458,675,799</b>	<b>486,848,137</b>

## Notes to Financial Statements

### NON CURRENT ASSETS :-

#### NOTE 9: NON CURRENT INVESTMENT

IN (Rs )

PARTICULARS	AS AT 31st MARCH 2018	AS AT 31ST MARCH 2017
Quoted Equity Shares	-	-
Investment in Jewellery	13,130	13,130
Grand Total	13,130	13,130

\* Market value of Shares Quoted Shares

-

-

\*\* Fair Value of shares

-

-

#### NOTE 10 : DEFFERED TAX ASSETS (NET)

IN (Rs )

PARTICULARS	AS AT 31st MARCH 2018	AS AT 31ST MARCH 2017
Opening Balance	506,781	235,114
Created During the Year	320,310	271,667
Closing Balance	827,091	506,781

#### NOTE :11 LONG TERM LOAN & ADVANCES

IN (Rs )

PARTICULARS	AS AT 31st MARCH 2018	AS AT 31ST MARCH 2017
<b>Unsecured Loan</b>		
<b>Loan &amp; Advances to Others</b>		
Loans at agreement values less installment received (include overdue Amount)		
Standard Assets	289,393,990	199,342,174
Doubtful Assets (NPA)	-	-
<b>Loan &amp; Advances to Related Parties</b>		
Loan at agreement values less installment received (include overdue Amount)		
Standard Assets	197,454,147	189,917,659
Doubtful Assets (NPA)	-	-
Grand Total	486,848,137	389,259,833

Notes to Financial Statements

## NOTE : 12 CASH &amp; CASH EQUIVALENTS

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Cash in Hand	3,902	3,742
Bank balance with Current account	21,951,565	34,476,631
Cheque in Hand	15,318	15,318
FDR with BOB	107,474,527	35,500,000
<b>Grand Total</b>	<b>129,445,312</b>	<b>69,995,691</b>

## NOTE : 13 SHORT TERM LOAN &amp; ADVANCES

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Balance from Revenue Authorities	360,785	360,785
<b>Grand Total</b>	<b>360,785</b>	<b>360,785</b>

## NOTE : 14 OTHER CURRENT ASSETS

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Prepaid Car Insurance	57,106.80	24,036.00
Intt. Receivable on FDR	1,413,053	6,210,369
Advance to staff	99,575	99,575
Other Receivable	20,000	20,000
Prepaid Expenses	15,000	11,968
Advance Paid to Lalit Hotel	200,000	200,000
Annual Charges (Prepaid) Equifax	5,900	-
<b>Grand Total</b>	<b>1,810,635</b>	<b>6,565,948</b>

**Notes to Financial Statements****NOTE 15: REVENUE FROM OPERATIONS**

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Interest Income	44,555,237	44,765,529
Bad Debts recovered	2,932,607	-
<b>Grand Total</b>	<b>47,487,844</b>	<b>44,765,529</b>

Interest from loan include Interest Income from relative parties amounting to Rs. 1,69,84,948/-

**NOTE : 16 OTHER INCOME**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Interest on Income Tax Refund		51,026
<b>Grand Total</b>	<b>-</b>	<b>51,026</b>

**NOTE : 17 EMPLOYEE BENEFITS EXPENSES**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Salary Expenses	1,470,985	4,800,105
Staff Welafare Expense	27,620	66,752
<b>Total</b>	<b>1,498,605</b>	<b>4,866,857</b>

**Notes to Financial Statements****NOTE : 18 ADMINISTRATION & OTHER EXPENSES**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Annual charges for Credit rating	17,700	17,250
Advertisement Expenses	46,494	203,240
Audit Remuneration	53,970	70,115
Bank Charges	2,533	13,504
Bad Debts W/off	92,983	22,727,050
Brokerage	-	400,000
Meeting & Conference	2,000	-
Car Insurance	276,296	109,092
Conveyance Expenses	41,320	61,602
Trading Expenses	77	1,150
Legal & Professional charges	901,404	357,820
Listing Compliance Charges	356,700	464,095
Misc. Expenses	30,756	157,737
Postal Charges	32,935	40,070
Printing & Stationery	55,017	68,592
Repair & Maintenance	113,567	185,155
ROC Compliance Charges	15,400	4,700
Telephone & Mobile Expenses	3,420	3,050
Website Expense	12,313	8,000
<b>Grand Total</b>	<b>2,054,885</b>	<b>24,892,222</b>

**NOTE : 18.1 PAYMENT TO AUDITORS AS:**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
a) Auditor		
Statutory Audit fees	26,985	26,100
Tax Audit fees	26,985	26,100
b) Certifications and consultantion Fees	-	17,915
c) Cost Audit Fees	-	-
<b>Grand Total</b>	<b>53,970</b>	<b>70,115</b>

**Notes to Financial Statements****NOTE : 19 PROVISIONS**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
Provision on Standard Assets	(112,690)	390,354
Provision on doubtful Assets	1,410,000	-
<b>Grand Total</b>	<b>1,297,310</b>	<b>390,354</b>

**NOTE : 20 EARNING PER SHARE**

IN (Rs )

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
i)Net Profit after tax as per statement of profit & Loss attributable to Equity Shareholders	28,024,596	8,241,534
ii)Weighted Average number of Equity shares used as denominator for calculating EPS	9,980,000	9,980,000
iii) Basic and Diluted Earning Per Shares	2.81	0.83
iv)Face value Per equity shares	10.00	10.00

**NOTE : 20.1 CALCULATION OF WEIGHTED AVERAGE NUMBER OF EQUITY SHARES**

PARTICULARS	AS AT 31ST MARCH 2019	AS AT 31st MARCH 2018
i)No. of Shares at the beginning of the year	9,980,000	9,980,000
ii)Equity shares issued during the year	-	-
iii)Total no. of equity shares outstanding at the end of the year	9,980,000	9,980,000
iv)Weighted Average no. of equity shares outstanding during the year	9,980,000	9,980,000

21. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.
22. In the opinion of Board of Director, the current Assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.
23. During the year, the Company hasnot sold any Investments.
24. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of **Rs.1,648,307.00** (PreviousYear**Rs. 1,525,877.00**) representing 20% of Net Profit is transferred to the fund for the year.
25. Provision for Standard & Non Performing Assets:

Provision for non performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.40% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

Particulars	INR	
	2018-19	2017-18
<u>Doubtful Assets</u>	0	0
Total Non-Performing Assets	0	0
Provision already available	0	0
Additional Provision made during the year	0	0
Reversed during the year	0	0
<b>Total Provision at the end of the Year</b>	<b>0</b>	<b>0</b>
<u>Standard Assets</u>	45,86,75,799	48,68,48,137
Provision already available	19,47,393	15,57,039
Additional provision made during the year	(1,12,690)	3,90,354
<b>Total PROVISION</b>	<b>18,34,703</b>	<b>19,47,393</b>

26. The company's business activity falls within single primary/ secondary business segment viz. Finance Activity. The disclosure requirement of Accounting standard (AS) -17 "Segment Reporting" issued by the Institute of chartered Accountants of India, therefore is not applicable.
27. The Company has the borrower companies which are involved in the business of Real estate. List of the borrowers is given below:

Sr. No.	Name of the Borrower	Amount As on 31.03.2019
1.	Icon Realcon Private Limited	8,74,33,188.00
2.	BRK Infotech & Developers Private Limited	7,76,65,488.00
3.	Max Heights Promoters Private Limited	61,30,029.00
4.	Max Heights Township & Projects P Ltd	7,54,115.00

28. Information as required by Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.

**29. Disclosure under Accounting Standard 18 on "Related Party Disclosure":**

**29.1. List of related parties**

i) Key Managerial Personnel and their relatives

Mr. Rakesh Kapoor	Managing Director
Mr. Manish Kapoor	Director
Mr. Karan Kapoor	Son of Mr. Rakesh Kapoor
Mr. Raghav Kapoor	Son of Mr. Manish Kapoor
Mr. Rishab Kapoor	Son of Mr. Manish Kapoor
Mrs. Ramesh Kumari Kapoor	Mother of Mr. Rakesh Kapoor
Mr. Uday Kapoor	Son of Mr. Rakesh Kapoor

ii) Enterprise over which key managerial personnel exercise significant influence

- B.R. Kapoor & Sons Private Limited
- BRK Infotech & Developers Private Limited
- BRK Overseas Private Limited



- BRK FincapLLP
- GangajalAppareals LLP
- RM Dress Creation Private Limited
- Gemini Media Tech LLP

**29.2. The following transactions were carried out with related parties in the ordinary course of Business during the year\***

Particulars	(In Rupees)	
	Key management personnel and their relatives	Enterprises over which Key management personnel exercise significant influence
<b>Transactions during the year</b>		
Interest income during the year	7,759,948.00 (6,609,450.00)	9,225,000.00 (9,225,000.00)
Loan & Advance given	- (37,059,450.00)	16,397,781.00 (9,225,000.00)
Loan & Advance received	14,843,455.00 (13,505,179.00)	- (25,242,783.00)
<b>Balances outstanding at the year end:-</b>		
Loans/Advances	83,730,764.00 (90,814,271.00)	132,262,657.00 (106,639,876.00)

\*Figures in ( ) are related to previous year.

**30. Earnings per Share "AS-20" issued by the Institute of chartered Accountants of India:**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(A) Profit after taxation as Statement of Profit and Loss (in Rupees)	2,80,24,595.97	82,41,533.51
(B) Weight Average number of equity Shares outstanding during the year	99,80,000	99,80,000
(C) Nominal value of Equity shares (in rupees)	10.00	10.00
(D) Basic Earning per Share	2.81	0.83

(E)	Diluted Earning per share	2.81	0.83

31. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31<sup>st</sup> March 2019. This information as required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.
32. The Company estimates the deferred tax created / (credit) using the applicable rate of Taxation based on the impact of timing Differences between financial Statements and Estimated taxable income for the current Year.

**Details of Deferred Tax Assets (Liabilities) are As follows:**

<b>Calculation of Deferred Tax Assets</b>	
Depreciation as per Companies Act	3,530,207.23
Depreciation as per Income Tax act	2,519,842.00
Timing Difference	10,10,365.23
<b>Deferred Tax Assets/Liability</b>	<b>2,62,695.00</b>

**In terms of my report of even date annexed**

**FOR VINOD VISHAL & CO.**  
**CHARTERED ACCOUNTANTS**  
 FRN No. 09112N

**FOR SRI AMARNATH FINANCE LIMITED**

**CA. DIVYA GUPTA**  
**(PARTNER)**  
 M. No. 537766

**RAKESH KAPOOR**  
**(Managing Director)**  
 DIN: 00216016

**MANISH KAPOOR**  
**(Director)**  
 DIN: 00025655

**Place: New Delhi**  
**Date: 28.05.2019**

**SUMIT BAJAJ**  
**(Company Secretary)**  
 M. No. A45042

**PARVEEN KUMAR**  
**(Chief Finance Officer)**

***SRI AMARNATH FINANCE LIMITED***  
***ANNUAL REPORT 2018-2019***

**Schedule of the**  
**Balance sheet of a non deposit taking non-banking financial company**  
**SRI AMARNATH FINANCE LIMITED**

(As required in terms of paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions, 2007)

(Rs. In Lacs)

Particulars			
<b>Liabilities Side:</b>			
(1)	<b>Loan and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>	Amount outstanding	Amount Over due
	a) Debenture : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than falling within the meaning of public deposit*)		
	b) Deferred Credit	NIL	NIL
	c) Term Loans	NIL	NIL
	d) Inter corporate Loan and Borrowing	NIL	NIL
	e) Commercial Paper	NIL	NIL
	f) Other loans ( Specify nature)	NIL	NIL
	• Please See Note 1 below		
<b>Assets side:</b>			
		Amount outstanding	
(2)	<b>Break up of Loans and Advance including bill receivables [other than those included in (4) below]:</b>		
	a) Secured	NIL	
	b) Unsecured	4586.76	

(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	
	<p>(i) Lease assets including lease rentals under sundry debtor:</p> <p style="padding-left: 20px;">a) Financial Lease</p> <p style="padding-left: 20px;">b) Operating Lease</p> <p>(ii) Stock on hire including hire charges under sundry debtors:</p> <p style="padding-left: 20px;">a) Assets on Hire</p> <p style="padding-left: 20px;">b) Repossessed Assets</p> <p>(iii) Other Loans counting towards AFC activities</p> <p style="padding-left: 20px;">a) Loans where assets have been repossessed</p> <p style="padding-left: 20px;">b) Loans other than (a) above</p>	<p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p>
(4)	<p><b><u>Break up of Investment:</u></b></p> <p><u>Current Investment:</u></p> <p>1. <u>Quoted:</u></p> <p style="padding-left: 20px;">(i) Share: (a) Equity</p> <p style="padding-left: 40px;">(b) preference</p> <p style="padding-left: 20px;">(ii) Debenture and Bonds</p> <p style="padding-left: 20px;">(ii) Units of Mutual Funds</p> <p style="padding-left: 20px;">(iv) Government Securities</p> <p style="padding-left: 20px;">(v) Others (Please Specify)</p> <p>2. <u>Unquoted:</u></p> <p style="padding-left: 20px;">(i) Share: (a) Equity</p> <p style="padding-left: 40px;">(b) preference</p> <p style="padding-left: 20px;">(ii) Debenture and Bonds</p> <p style="padding-left: 20px;">(iii) Units of Mutual Funds</p> <p style="padding-left: 20px;">(iv) Government Securities</p> <p style="padding-left: 20px;">(v) Others (Please Specify)</p> <p><u>Long Term Investment:</u></p>	<p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p>

	<p>1. <u>Quoted:</u></p> <p>(i) Share: (a) Equity (b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(iii) Units of Mutual Funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Specify)</p>	<p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p>
	<p>2. <u>Unquoted:</u></p> <p>(i) Share: (a) Equity (b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(iii) Units of Mutual Funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Jewellery)</p>	<p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>0.13</p>

(5)	<p><b>Borrower group wise classification of assets financed as in (2) and (3) above:</b></p> <p>Please see note 2 below</p>
-----	---

Category	Amount of Net of provision		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	1322.63	1322.63
(c) Other related parties	NIL	837.31	837.31
2. Other than Related parties	NIL	2426.82	2426.82
<b>Total</b>	NIL	4586.76	4586.76

(6)	<p><b>Investor group wise classification of all investments (current and long term) in share and securities (both quoted and unquoted):</b></p> <p>Please see note 3 below:</p>
-----	---

Category	Market Value / Break up or Fair value of NAV	Book value ( Net of Provision)
----------	--	--------------------------------

	1. Related Parties**		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	NIL	NIL
	(c) Other related parties	NIL	NIL
	2. Other than Related parties	NIL	NIL
	<b>Total</b>	NIL	NIL

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

**(7) Other Information:**

Particulars		Amount
(i)	Gross Non Performing Assets	
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(ii)	Net Non Performing assets	NIL
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(iii)	Assets acquired in satisfaction of debt	NIL

**Notes:**

- As defined in paragraph 2 (1) (xii) of the Non Banking Financial Companies acceptance of public deposits (Reserve Bank) directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non Banking financial (Non-Deposit accepting or Holding) companies Prudential Norms (Reserve Bank Directions, 2007).
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investment and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investment and break up / fair value /NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in(4) above.

# SRI AMARNATH FINANCE LIMITED

CIN:L74899DL1985PLC020194

Reg. Office: 4883-84, Second Floor, Main Road, Kucha Ustad Dag,  
Chandni Chowk, Delhi-110006Email:[amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com), Tel: 011-23953204/23392222Website: [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)

## ATTENDENCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the **34<sup>th</sup> Annual General Meeting** of the Company being held on **Friday, the 27<sup>th</sup> Day of September 2019 at 11.00 a.m. at Niskan Sankirtan Mandal, 19/32, Moti Nagar, New Delhi-110015** and at any adjournment thereof.

Signature of the Shareholder	Signature of the Proxy

- Note:**
1. The copy of Annual Report may please be brought to the Meeting Hall.
  2. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
  3. Please note that no gifts will be distributed at the meeting.

## ELECTRONIC VOTING PARTICULARS

E VOTING EVENT NUMBER (EVEN)	USER ID	PASSWORD

**Note:** Please read the instructions printed under the Note to the Notice of 34<sup>th</sup> AGM dated August 13, 2019 for e-voting process. The E-voting period starts from, September 24, 2019 at 9:30 a.m., and will end on September 26, 2019 at 5:00 p.m. The voting module shall be disabled by NDSL for voting thereafter.

# SRI AMARNATH FINANCE LIMITED

CIN:L74899DL1985PLC020194

Reg. Office: 4883-84, Second Floor, Main Road, Kucha Ustad Dag,  
Chandni Chowk, Delhi-110006

Email:[amarnath01finance@gmail.com](mailto:amarnath01finance@gmail.com), Tel: 011-23953204/23392222Website: [www.sriamarnathfinance.in](http://www.sriamarnathfinance.in)

## Form No. MGT-11

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN** : L74899DL1985PLC020194  
**Name of the company** : Sri Amarnath Finance Limited  
**Registered office** : 4883 – 84, Second Floor, Main Road, Kucha Ustad Dag,  
Chandni Chowk, Delhi – 110006

Name of Member(s) :
Registered address :
E-mail Id :
Folio No/ Client Id:
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name :	Address :
E-mail Id :	Signature :

or failing him

2. Name :	Address :
E-mail Id :	Signature :

or failing him

3. Name :	Address :
E-mail Id :	Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the company, to be held on **Friday, the 27<sup>th</sup> Day of September, 2019 at 11.00 A.M. Niskan Sankirtan Mandal, 19/32 Moti Nagar New Delhi-110015** and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1.	Ordinary Resolution for adoption of Audited Financial Statements along with for the year ended March 31, 2019.		
2.	Ordinary Resolution for Re-appointment of Mrs. Nishi Seth who retires by rotation and being eligible offered himself for re-appointment, as a Director of the Company.		
<b>Special Business</b>			
3.	Special Resolution for approval the payment of remuneration to Mr. Rakesh Kapoor, (DIN: 00216016), Managing Director of the Company		
4.	Special Resolution for Reclassification of promoter & promoter group		

Signed this ..... Day of..... 2019

Affix Revenue  
Stamp

Signature of shareholder

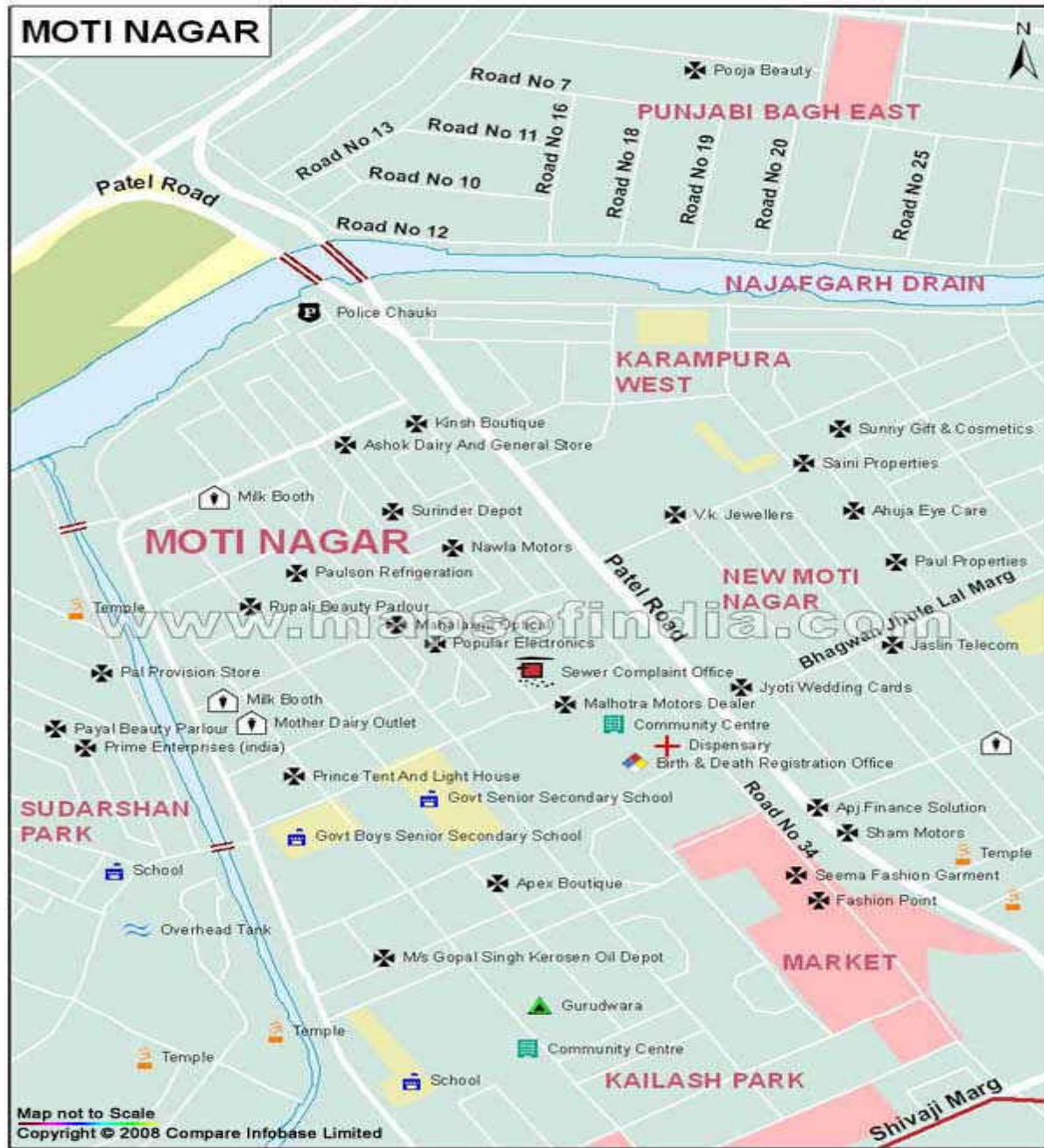
Signature of Proxy holder(s)

1. This form of proxy in order to be effective should be duly filled, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference 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.

**SRI AMARNATH FINANCE LIMITED**  
**ANNUAL REPORT 2018-2019**



*Here we are given below the route map for the purpose of company's AGM venue:*



*If Undelivered, Please return to:*

**Sri Amarnath Finance Limited**

**4883 – 84, Second Floor, Main Road,  
Kucha Ustad Dag, Chandni Chowk, Delhi-  
110006**