KALYANI COMMERCIALS LIMITED

Regd off: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, New Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website-www.kalyanicommercialsltd.com
Ph. 011- 43063223, 011-47060223

Ref: 0409/KCL/NSE/2021-22 **September 04, 2021**

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400051
(NSE Symbol: KALYANI)

Subject: Submission of Annual Report for the Financial Year 2020-21 of Kalyani Commercials Limited ("the Company')

Dear Sir/ Ma'am,

In Compliance with Regulation 30 read with Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 we hereby submit a copy of Annual Report for the Financial Year 2020-21 including notice of convening 36th Annual General Meeting of the Company scheduled to be held on Tuesday the 28th day of September, 2021 at 11:00 A.M. at registered office of the Company situated at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, New Delhi-110042.

Kindly take note of the same and oblige.

Thanking You

Yours faithfully
For KALYANI COMMERCIALS LIMITED
For Kalyani Commercials Limited

Nikita Company Secretary
(Company Secretary & Compliance Officer)
Off. Add.: BG-223, Sanjay Gandhi Transport Nagar,
GT Karnal Road, New Delhi-110042

KALYANI COMMERCIALS LIMITED

ANNUAL REPORT

For the Financial Year 2020-21

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COMPANY INFORMATION

CIN	**L65923DL1985PLC021453**
BOARD OF DIRECTORS	**Mr. Shankar Lal Agarwal** (Managing Director) **Mr. Sourabh Agarwal** (Whole Time Director & CFO) **Ms. Manushree Agarwal** (Non-Executive Director) **Mr. Alok Kumar Gupta*** (Non-Executive & Independent Director) **Ms. Nikhita Agarwal**** (Additional Women, Non-Executive & Independent Director) **Mr. Gagan Anand** (Non-Executive & Independent Director)
COMPANY SECRETARY AND COMPLIANCE OFFICER	**Ms. Chandni Arora (Resigned w.e.f. October 29, 2020)** **Ms. Nikita (Appointed w.e.f. February 14, 2021)**
STATUTORY AUDITORS	**M.C. Bhandari & Co., Chartered Accountants** **Address:** 38, Shopping Centre, Jhalwar Road, Kota, Rajasthan - 324 007 **Contact No:**9414189339 **Email Id:** skmahipal@yahoo.co.in
SECRETARIAL AUDITOR :	**Grover Ahuja & Associates, Company Secretaries** **Address**: D-251, Block D, LGF, Defence Colony, New Delhi-110024 **Contact No:** 011–46772203,04,05 **Email Id:** info@groverahuja.co
REGISTERED OFFICE AND CONTACT DETAILS	**BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042** **Contact No.: 011- 43063223, 47060223** **Email Id:** kalyanicommercialslimited@gmail.com **Website:** www.kalyanicommercialsltd.com
BRANCH OFFICE	**Ganganagar Motors (Kota)** **Address**: A-165, I.P.I.A., Road no. 5, Jhalawar Road, Kota, Rajasthan – 324005. **BPCL Filling Station** **Address**: Khasra No. 142 & 143, Village Vrindavan, NH-12, Jhalawar, Rajasthan – 326001.

	GD Automobiles[#] **Address:** 15/2, Mathura Road, Sector27-A Faridabad- 121003
REGISTRAR & SHARES TRANSFER AGENT	**Skyline Financial Services Pvt. Ltd.** **Address**: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 **Contact No:**+91-11-40450193-97, 26812682-83 **Email Id**: info@skylinerta.com
ISIN NO.:	**INE610E01010**
BANKERS:	**HDFC Bank Limited;** **Axis Bank Limited;** **Indusind Bank Limited;** **State Bank of India;** **ICICI Bank Limited;** **Bank of Baroda**
NAME OF STOCK EXCHANGE WHERE SECURITIES OF THE COMPANY ARE LISTED	**National Stock Exchange of India Limited (NSE)**

***Resigned on 14th August, 2021**

****Appointed on 14th August, 2021**

#Ceased to be the Branch Office from March 20, 2021

KALYANI COMMERCIALS LIMITED

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DIRECTOR'S REPORT

To
The Members,
Kalyani Commercials Limited

The Board of Directors of your Company is pleased to present the 36th Director's Report on business and operations of the Company, along with Standalone and Consolidated Audited Financial Statements for the Financial Year ended on 31st March, 2021.

1. FINANCIAL RESULTS

The Financial performance of the Company for the Financial Year ended 31st March, 2021 is summarized below: -

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	For the year Ended		For the year Ended	
	31.03.2021	**31.03.2020**	**31.03.2021**	**31.03.2020**
Total Revenue	13539.64	22876.99	22770.98	64214.11
Total Expenses	13441.52	22764.24	22523.00	64100.54
Profit Before Tax & Extraordinary Item	98.13	112.76	247.98	113.57
Extraordinary Item	0.00	0.00	0.00	0.00
Tax Expenses				
- **Current Tax**	34.40	24.08	53.81	49.58
- **Deferred Tax Liability(Net)**	(2.61)	0.15	(2.61)	(4.65)
- **Income Tax Earlier Year**	3.18	0.12	3.18	0.12
Profit / Loss For The Year After Tax	**63.16**	**88.41**	**245.22**	**68.52**
Total Other Comprehensive Income / (Loss)	(18.84)	7.05	(18.84)	7.05
Total Comprehensive Income / Loss	**44.32**	**95.45**	**226.38**	**75.57**
Profit attributable to				
a) Parent	-	-	161.64	85.30
b) Non-Controlling Interest	-	-	64.73	(9.73)
Earnings Per Share (EPS)				
a) Basic	**4.43**	**9.55**	**16.16**	**8.53**
b) Diluted	**4.43**	**9.55**	**16.16**	**8.53**

2. STATE OF COMPANY'S AFFAIRS

The COVID-19 pandemic which is a once in a lifetime occurrence has brought with it an unimaginable suffering to people and to almost all sections of the economy. The nationwide lockdowns to curtail the transmission of disease, had put the global economy in extreme stress of the level not seen since the Great Depression and would have a long-lasting economic impact.

The dynamic and evolving nature of the pandemic with its resurgence (second wave) at the close of the year once again creates uncertainty, including economic impact. Hopefully, the outreach of vaccination drives across the country, additional efforts to set up medical infrastructure and obtain required medical supplies, in addition to continued adherence to COVID-19 specific protocols will help in overcoming this testing situation.

The year under review was full of difficulties and challenges. The whole economy faced by the economy and Non-Bank Finance Companies (NBFCs) also faced the effect of COVID-19 by facing of the ongoing liquidity crunch. Adding to this, the outbreak of COVID-19 presented a challenge that has never been encountered before – that of surviving the brutal effects of the pandemic, while keeping the financial wheels running and reinvigorating the economy.

Even during this COVID-19 Pandemic we responded to the challenges and the Company is working with an optimistic approach. As we grapple with the pandemic, we are also sharpening our capabilities to seize opportunities that will unfold as the situation starts to improve, to grow our business sustainably. The Company dealt with the COVID situation efficiently with focus on cost control, asset quality, liquidity, growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenues.

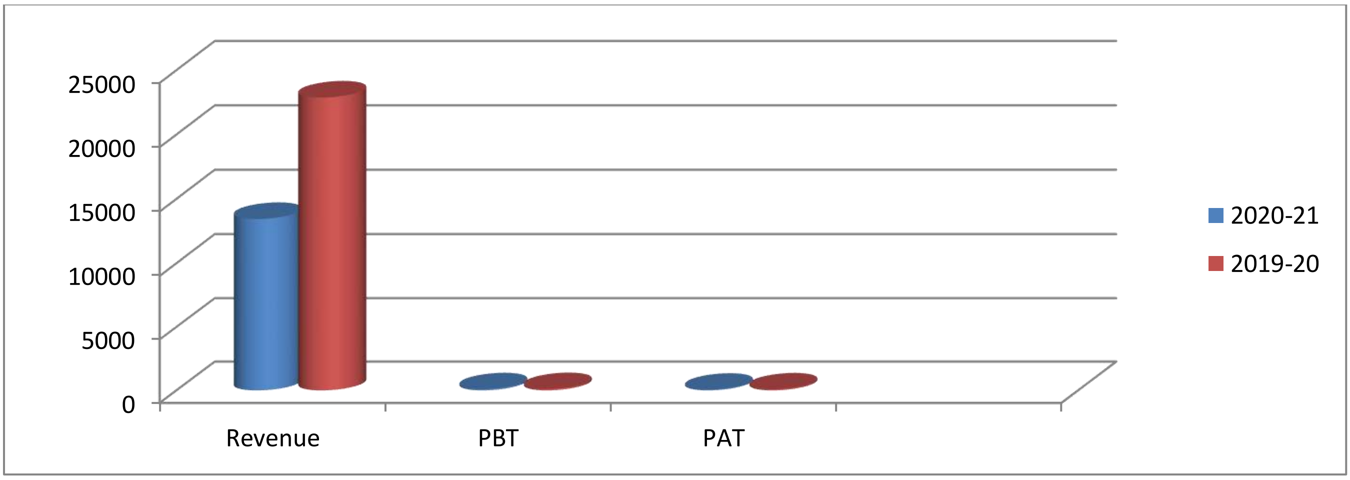
The Company was registered as Non Deposit Accepting Non-Banking Finance Company (“NBFC”), holding a Certificate of Registration (14.00928) from the Reserve Bank of India (“RBI”). However Company has applied for the surrender of Certificate of Registration on 28th day of June, 2019.

The company dealing in trading of Heavy Commercial Vehicle, Three Wheeler and servicing (Dealership of TATA and Bajaj) Petroleum Product (Dealership of Bharat Petroleum Limited).

3. OPERATIONAL PERFORMANCE

During the period, the company achieved the ***Standalone turnover*** of **Rs. 13505.02/- lakhs (Rupees Thirteen Thousand Five Hundred Five and Two Paisa only)** for the year ended 31st March, 2021 as against **Rs. 22772.46/- (Rupees Twenty Two Thousands Seven Hundred Seventy Two and Forty Six Paisa only)** for the year ended 31st March, 2020. The Company earned a profit of **Rs. 63.16**/-lakhs during the year ended 31st March, 2021 as against the profit of **Rs. 88.41/-** lakhs in previous year ended 31st March, 2020.

During the period, the company achieved the ***Consolidated turnover*** of **Rs.22737.02/- lakhs (Rupees Twenty Two Thousand Seven Hundred Thirty Seven and Two Paisa only)** for the year ended 31st March, 2021 as against **Rs.64068.29/- (Rupees Sixty Four Thousands Sixty Eight and Twenty Nine Paisa only)** for the year ended 31st March, 2020. The Company earned a profit of **Rs. 193.60**/-lakhs during the year ended 31st March, 2021 as against the profit of **Rs. 68.52/-** lakhs in previous year ended 31st March, 2020.



4. DIVIDEND

After considering the financial and non-financial factors prevailing during the Financial Year 2020-21, the Board of Directors have decided not to recommend dividend this year. However the Directors are hopeful for better results in enduing future.

5. RESERVES AND SURPLUS

The Company has Rs. 8,23,14,126.02 (Rupees Eight Crore Twenty Three Lakh Fourteen Thousand One Hundred Twenty Six and Two Paisa only) in the reserve and surplus, out of which, the Company has transferred total amount of Statutory Reserve into General Reserve. The Company is not transferring any amount to reserve out the current year's surplus.

6. CHANGES IN CAPITAL STRUCTURE

During the year under review, the share capital of the company remains unchanged and the company has also not issued any equity shares with differential rights and sweat equity shares.

7. LISTING OF SECURITIES

The 1,000,000 equity shares of Rs. 10/- each of the Company are listed on **National Stock Exchange of India Limited** (NSE) w. e. f. February 13, 2017.

The Annual listing fees for the Financial Year 2020-21 have been paid to the Stock Exchange within the time limits as prescribed by the Exchange.

8. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Ganganagar Vehicles Private Limited (**GVPL**) was the Subsidiary Company of Kalyani Commercials Limited (**Company**) till October 30, 2020. However due to divestment of Shares by the Company, GVPL became the Associate of the Company.

Therefore, the Details of the Associates Companies are as follows:

S. No.	Name of Entity	Status	Shareholding
1.	Ganganagar Vehicles Private Limited	Associate	42.02%

Pursuant to sub-section (3) of Section 129 of the Act and rules made there under, the statement containing the salient feature of the financial Statement of a Company's subsidiaries, associate companies and joint venture is given herewith AOC-1 as **Annexure-I** .

Pursuant to Accounting Standards i.e. AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements are presented by the Company in this Annual Report including the financial information of its Associate.

9. BRANCHES OF THE COMPANY

During the period under review, the Company branches in Rajasthan and Haryana both. The details of such branches are mentioned herein below:

S. No.	Name	Address
1.	Ganganagar Motors(Kota)	A-165, I.P.I.A., Road no. 5, Jhalawar Road, Kota, Rajasthan – 324005.
2.	BPCL Filling Station	Khasra No. 142 & 143, Village Vrindavan, NH-12, Jhalawar, Rajasthan – 326001.

3.	GD Automobiles#	15/2, Mathura Road, Sector27-A Faridabad- 121003.

 # Ceased to be the Branch Office from March 20, 2021.

10. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was payable or outstanding as on 31st March, 2021.

The company has neither accepted nor renewed any deposits falling under chapter V of Companies Act, 2013.

Further, No Buy Back of Shares was proposed or pending during the Financial Year ended on 31st March, 2021.

11. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES U/S 188(1)

All Related Party Transactions are presented before the Audit Committee for their review and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of every contract or 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 arm's length transactions under third proviso thereto are disclosed in Form AOC -2 as **Annexure -II.**

12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTED / RESIGNED DURING THE YEAR

During the period under review, the details of Directors and Key Managerial Personnel were as follows:

1. Pursuant to the provisions of the Companies Act, 2013 and the Company's Articles of Association, Ms. Manushree Agarwal (DIN: 06620217), Director, who was liable to retire by rotation and whose re-appointment was approved by the Shareholders of the Company at the 35th Annual General Meeting of the Company held on September 30, 2020.

2. Ms. Nikhita Agarwal has been appointed as an Additional Independent Director on the board of the Company w.e.f. August 14, 2021 to hold office for a term of 5 consecutive years from the date of ensuing Annual General Meeting subject to approval of shareholders of the Company.

3. Mr. Alok Kumar Gupta, Independent Director of the Company resigned w.e.f. August 14, 2021.

4. Mr. Puneet Sethi has resigned from the board of the company w.e.f. March 20, 2021.

5. Ms. Chandni Arora resigned from the post of Company Secretary and her resignation was taken into effect from 29th October, 2020. The Board appreciates the efforts and works done by her during her tenure. The Company further appointed Ms. Nikita as the Company Secretary and Compliance Officer w.e.f. 14th February, 2021.

Further, list of directors/KMP is mentioned herein below for your reference:

- **LIST OF DIRECTORS AS ON 31ST MARCH, 2021:**

S. No	Name	Designation
1.	Mr. Shankar Lal Agarwal	Managing Director

2.	Mr. Sourabh Agarwal	Whole-time Director
3.	Ms. Manushree Agarwal	Director
4.	Mr. Alok Kumar Gupta*	Independent Director
5.	Mr. Gagan Anand	Independent Director
6.	Ms. Nikhita Agarwal**	Additional Independent Director
***Resigned on 14th August, 2021** ****Appointed on 14th August, 2021**		

- **LIST OF KEY MANAGERIAL PERSONNEL (KMP) AS ON 31ST MARCH, 2021:**

S. No.	Name	Designation
1.	Mr. Shankar Lal Agarwal	Managing Director
2.	Mr. Sourabh Agarwal	Chief Financial Officer
3.	Ms. Nikita	Company Secretary and Compliance Officer

13. MEETINGS OF BOARD HELD DURING THE F.Y. 2020-2021

During the Financial Year under review the Meetings of Board and its committees were held as follows:

Meetings of:						
Board of Directors	**Audit Committee**	**Nomination & Remuneration Committee**	**Stakeholder Grievance Committee**	**Financial & Investment Committee**	**Independent Director's Meeting**	**Internal Complaint Committee**
11 Meetings	5 Meetings	3 Meetings	2 Meetings	1 Meeting	1 Meeting	1 Meeting

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two meetings did not exceed 120 days. Also the meetings were conducted as per the applicable provisions of the Companies Act, 2013 read with rules made thereunder and as per the Secretarial Standards -1 (SS-1) as framed by the Institute of Company Secretaries of India (**ICSI**) in this regard.

14. COMPOSITION OF COMMITTEES OF THE BOARD AS ON 31ST MARCH 2021:

a) AUDIT COMMITTEE:

In compliance with the provisions of Section 177 of the Companies Act, 2013, the objective of the audit committee is to review internal control and internal audit system, to ensure accurately and timely disclosures, to ensure accurately and timely compliances with all accounting standards, policies and applicable laws, to monitor and provide an effective supervision of the Management's financial reporting process with the highest levels of transparency, integrity and quality of financial reporting. The composition of Audit Committee of the Company is as following:

S. No	Name of Member	Designation	Category
1.	Mr. Gagan Anand	Chairman	Non-Executive & Independent Director
2.	Mr. Alok Kumar Gupta*	Member	Non-Executive & Independent Director
3.	Ms. Nikhita Agarwal**	Member	Additional Non- Executive & Independent Director
4.	Ms. Manushree Agarwal***	Member	Non-Executive Director

***Resigned on 14th August, 2021**
****Appointed on 14th August, 2021**
*** **Appointed as member on 29th June, 2021**

The Board has accepted all the recommendations proposed by audit committee during the Financial Year.

b) NOMINATION AND REMUNERATION COMMITTEE:

In compliance with provisions of 178(1) of the Companies Act, 2013, the purpose of the committee is to evaluate the performance of all the Directors on the board of the company, to Identify individuals qualified to serve as Directors (executive directors, non-executive directors and independent directors) or to serve in senior management and to review their remuneration, consistent with criteria approved by the Board, and to recommend to the Board for their approval. The composition of Nomination and Remuneration Committee of the Company is as following:

S. No.	Name of Member	Designation	Category
1.	Mr. Gagan Anand	Chairman	Non- Executive & Independent Director
2.	Ms. Manushree Agarwal	Member	Non- Executive Director
3.	Mr. Alok Kumar Gupta*	Member	Non- Executive & Independent Director
4.	Ms. Nikhita Agarwal**	Member	Additional Non- Executive & Independent Director

***Resigned on 14th August, 2021**
****Appointed on 14th August, 2021**

c) SHAREHOLDER'S GRIEVANCE COMMITTEE:

In order to comply with the Good Corporate Governance Norms, the Company has constituted this committee. The purpose of the committee is to assist the Board and the Company in maintaining healthy relationships with all stakeholders. The composition of Shareholder's Grievance Committee of the Company is as following:

S. No.	Name of Member	Designation	Category
1.	Mr. Alok Kumar Gupta*	Chairman	Non- Executive & Independent Director
2.	Mr. Shankar Lal Agarwal	Member	Executive Director
3.	Ms. Nikhita Agarwal**	Member	Additional Non- Executive & Independent Director

4.	Ms. Manushree Agarwal***	Member	Non-Executive Director

***Resigned on 14th August, 2021**
****Appointed on 14th August, 2021**
*** **Appointed as member on 14th August, 2021**

d) FINANCE AND INVESTMENT COMMITTEE$:

The Board of Directors has constituted Finance and Investment Committee to assist it in overseeing acquisitions and investments made by the Company and provide oversight on key investment policies of the Company. The composition of Finance and Investment Committee is as following:

S. No.	**Name of Member**	**Designation**	**Category**
1.	Mr. Gagan Anand	Chairman	Non- Executive & Independent Director
2.	Mr. Alok Kumar Gupta*	Member	Non- Executive & Independent Director
3.	Ms. Nikhita Agarwal**	Member	Additional Non- Executive & Independent Director
4.	Ms. Manushree Agarwal***	Member	Non-Executive Director

***Resigned on 14th August, 2021**
****Appointed on 14th August, 2021**
*** **Appointed as member on 14th August, 2021**
$ This committee has been dissolved by the Board of Directors at their meeting held on August 14, 2021.

e) INTERNAL COMPLAINT COMMITTEE :

The Board of Directors has constituted Internal Complaint Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the purpose of adhering the Complaints of employees regarding Sexual Harassment.

S. No.	**Name of Member**	**Designation**	**Category**
1.	Ms. Manushree Agarwal	Chairperson	Women-Non- Executive Director
2.	Mr. Alok Kumar Gupta*	Member	Non- Executive & Independent Director
3.	Mr. Gagan Anand	Member	Non-Executive & Independent Director
4.	Ms. Nikhita Agarwal**	Member	Additional Women-Non- Executive & Independent Director

***Resigned on 14th August, 2021**
****Appointed on 14th August, 2021**

15. DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors have submitted their declarations of independence, as required pursuant to provisions of section 149(7) of the Act, stating that they meet the criteria of independence as provided in subsection (6) and Regulation 25 of Listing Regulations as laid by the Securities and Exchange Board of India (SEBI).

16. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

In terms of regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company familiarizes the Directors about their role and responsibility at the time of their appointment through a formal letter of appointment. All independent directors inducted into the Board attend an orientation program. Presentations are regularly made at the meetings of the Board and its various Committees on the relevant subjects. The details of programs for familiarization of Independent Directors can be accessed on the Company's website.

17. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm that:

1.) in the preparation of annual accounts for the financial year ended 31st March, 2021 the applicable accounting standards have been followed along with proper explanation relating to material departures;

2.) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Companies as at 31st March, 2021 and of the profit/loss of the Company for the period ended on that date;

3.) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4.) the Directors have prepared the annual accounts on a going concern basis;

5.) the Directors have laid down proper internal financial controls to be followed by the company and such internal financial control and adequate and were operating effectively; and

6.) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

18. AUDITOR & AUDITORS' REPORT;

18.1 *Statutory Auditors and Audit Report*

Pursuant to Section 139 of the Companies Act, 2013, M/s M. C. Bhandari & Co., Chartered Accountants, (Firm Registration No. 0303002-E) Statutory Auditors of the Company have been appointed by the members at the Thirty Second Annual General Meeting to hold office for a period of 5 years from the date of such meeting held on 01st September, 2017.

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017effective from 7th May, 2018, the requirement of seeking ratification of Members for the appointment of the Statutory Auditors has been withdrawn. Therefore, ratification by the Members is not being obtained at the ensuing AGM.

The Audit Report submitted by Statutory Auditor on Annual Standalone & Consolidated Financial Statement for the Financial Year 2020-21 does not contain any qualification, reservation or adverse remark or disclaimer. The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments. The Auditors have also not reported any matter under Section 143(12) of the Companies Act, 2013.

18.2 *Secretarial Auditor & Secretarial Audit Report*

KALYANI COMMERCIALS LIMITED

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In terms of Section 204 of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and on the recommendation of the Audit Committee, the Board of Directors of the Company has appointed M/s. Grover Ahuja & Associates, Company Secretaries as Secretarial Auditor of the Company for the financial year 2020-21. Secretarial audit report as provided by M/s. Grover Ahuja & Associates, Company Secretaries is also annexed to this Report, in the prescribed Form MR-3, as "**Annexure-III**".

The Secretarial Auditor remarks are self-explanatory and do not require any clarification from the Board except the following:

Remarks	**Clarification/Reply by Board**
The Company has made voluntary application for Surrender of Certification of Registration of NBFC (COR) DATED June 28, 2019 which is still in process. However the Company stopped complying with NBFC provisions from the date of application of Surrender of COR. In this regard the Company received an e-mail from NBFC officials clarifying and directing the Company to treat itself as an NBFC and to comply with all the provisions of NBFC. From December 18, 2020 till Financial Year ended March 31, 2021 the Company has complied with all the provisions of NBFC except as specifically mentioned hereinafter in this report.	After the receipt of e-mail dated December 18, 2020 the Company has started treating it as NBFC and thereafter started complying with all the provisions applicable of NBFC.
CIC Registration as provided under the Reserve Bank of India Circular No. DNBS (PD).CC. No 200 / 03.10.001/ 2010-11 dated 17th September, 2010 and related notifications issued in relation of the same, has not been acquired by the Company.	The application of the Company is in progress for taking CIC registration.
Pursuant to SEBI Circular No-SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 wherein Issuer Companies through their RTA shall take special efforts to collect copy of PAN, and bank account details of all securities holders holding securities in physical form. While collecting details, RTAs shall ensure that they send a letter under registered/Speed post seeking PAN and bank details (a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder) within 90 days of the circular and two reminders thereof after the gap of 30 days. All the 3 letters will have 21 days' notice period to provide the details. a) With respect to the same, the Company through their RTA has not sent the letters to the Shareholders under registered /Speed post seeking PAN and bank details within 90 days of the circular and further, no such two reminders were given after the gap of 30 days. All these 3 letters were required to have 21 days' notice period to provide the details.	Due to pandemic, Company is finding it difficult to coordinate with the shareholders to receive the documents, however Company will try its best to comply in respect of the above-mentioned SEBI Circular. Also the Company has received PAN details of some of the shareholders.
The National Stock Exchange of India Limited (NSE) has levied a fine dated October 14, 2020 of Rs. 10,000/- (Rupees Ten Thousands only) on the Company due to delay of 1 (One) day in filing advance intimation of Board Meeting held for the June 2020 quarter at least 5 (five)	The Company has already paid the fine and the same is mentioned by the Secretarial Auditor also.

days before the date of Board Meeting. The NSE levied the fine in accordance with SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.However the Company had made an application to NSE regarding waiver of fine which was subsequently rejected by the NSE and the Company had duly paid the fine on April 20, 2021.	
The Company had not given the Intimation of resignation of Ms. Chandni Arora, Company Secretary & Compliance Officer of the Company in pursuance to Master Direction - Non - Banking Financial Company - Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016 to Reserve Bank of India.	Due to restriction because of COVID-19 pandemic and non-coordination in the management due to remote working, the Company has missed to intimate the RBI about the resignation of Ms. Chandni but later on the Company has sent the said intimation to RBI.

19. CORPORATE GOVERNANCE REPORT

As per Regulation 15 of the SEBI (Listing Regulations and Disclosure Obligations Requirements) Regulations, 2015, the provisions of Chapter IV of the said Listing Regulations, 2015, the Compliance with the corporate governance provisions as specified in Regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not be mandatory, for the time being, in respect of the following class of companies:

A. The listed entity having Paid up Equity Share Capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs.25 Crore, as on the last day of the previous financial year;

B. The Listed Entity which has listed its specified securities on the SME Exchange.

Since the Company is neither listed exclusively on the SME Exchange nor its paid-up share capital and net-worth exceeds the prescribed threshold limits therefore, Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable on the Company.

20. BOARD EVALUATION

In terms of Section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and Regulation 17 of the Listing Regulations, it is required to have a formal annual evaluation of the performance of the Board, its Committees and the Directors individually. In pursuance of the aforesaid provisions of the Companies Act, 2013 and Listing Regulations, including the Guidance Note issued by SEBI on Board Evaluation, the Board carries out the annual evaluation of its own performance, the working of its various Committees as well as the evaluation of its Directors individually.

The evaluation process comprises of both assessment and review, including analysis of the functioning of the Board and its Committees, the time spent by it in considering matters and whether the terms of reference of its Committees have been met, besides complying with the provisions of the Companies Act, 2013 and Listing Regulations. The evaluation of the performance of the Board, its Committees and individual directors was done, after seeking inputs from all the Directors by way of a questionnaire.

The questionnaire was prepared in a structured manner, ascertaining the individual directors various attributes and their roles in bringing values to the deliberation and discussions at meetings. The Board of Directors also evaluated the functioning/performance of Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee and expressed satisfaction with their functioning/performance. A report in brief on Board evaluation has been given in the Corporate Governance Report which may be taken as forming a part of this Report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The provisions of Section 186(11) of the Companies Act, 2013 are not applicable to the Company since Company is a NBFC pursuant to directions sought by the officials of RBI via e-mail dated December 18, 2020.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

23. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

23.1 The Board of Directors in its meeting held on 28th June 2019 has decided to surrender its Certificate of Registration (COR) bearing Regd. No. 14.00928 as a non - deposit accepting Non-Banking Financial Company (NBFC) issued by the Reserve Bank of India (RBI), dated 2nd June, 1998, consequently the Company has ceased to carry its NBFC activities. However the officials of RBI has sought clarification dated December 18, 2020 via e-mail that the Company shall continue to be a NBFC till the application for surrender get accepted by the RBI and the process of surrender of Certificate of Registration is still in process.

23.2 The Company has transferred the shares held in GVPL to Mr. Shankar Lal Agarwal on October 30, 2020 resulting to which GVPL became associate of Company.

In addition to above, there have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this report.

24. CHANGE IN THE NATURE OF BUSINESS

The Company has filed an application for surrender of Certificate of Registration (COR) bearing Regd. No. 14.00928 as a non - deposit accepting Non-Banking Financial Company (NBFC) issued by the Reserve Bank of India (RBI) and consequently stopped doing any business activity as NBFC.

25. SECRETARIAL STANDARDS OF ICSI

Your Company is in compliance with all the applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

26. RISK MANAGEMENT

Risk is an integral and unavoidable component of business and the Company has been addressing and analyzing various risks impacting the Company including details of significant changes in key financial ratios which is more fully provided in annexed Management Discussion and Analysis Report attached herewith and forms part of this annual report. The Company has a robust risk management process to identify key risks across the Group, and prioritize action plans to mitigate them. The proceedings of the review process include discussions on the management's submissions on risks, prioritization of key risks and approval of action plans to mitigate such risks. Some of the uncertainties and risks that can affect the business are technological changes, changing customer preferences and behavior, competition, volatility in prices of cement and macro-economic factors such as an economic slowdown.

26.1 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Your Company does not have material exposure of any commodity or foreign exchange and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated 15th November, 2018.

27. PARTICULARS OF EMPLOYEES

The information as per Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as **Annexure IV.**

i. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21:

S. No.	Directors	Ratio to median remuneration
1	Mr. Shankar Lal Agarwal	2.06:1
2	Mr. Sourabh Agarwal	2.75:1
3	Mr. Alok Kumar Gupta	NIL
4	Ms. Manushree Agarwal	NIL
5	Mr. Gagan Anand	NIL

ii. There has been **29%** decrease in the remuneration of Company Secretary and there has been no change in the remuneration of Managing Director, Whole Time Director/CFO and Company Secretary of the Company in the financial Year 2020-2021.

iii. There has been **3.35%** decrease in the median remuneration of employees in the financial year 2020-21.

iv. The total number of permanent employees on the rolls of the Company during the financial year was **213**.

v. There has been an average percentile decrease of 26.59**%** in the salaries of employees and managerial personnel as well. The total remuneration to employees for the Financial Year 2020-21 was Rs. **30,444,057/-** as compared to Rs. **41,167,054/-** in the Financial Year 2019-20.

vi. The Company affirms that remuneration given is as per the remuneration policy of the Company.

However, as per the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the members excluding the information on particulars of employees which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

28. DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014

No Directors/employees of the Company was in receipt of amount exceeding a salary of Rs. 8,50,000/- per month or more when employed for a part of the financial year and Rs. 10,200,000/- per annum or more when employed for whole of the year, under the provision of Rule 5 (2) & (3) of The Companies (Appointment And Remuneration) Rules, 2014, as amended from time to time.

29. HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nature this asset. The company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operation of the Company. It looks at the employee's entire life cycle, to ensure timely interventions and help build a long-lasting and fruitful career.

30. CORPORATE POLICIES

We seek to promote and follow the highest level of ethical standards in our business transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on the website of the Company viz. http://kalyanicommercialsltd.com/.

The Policies are reviewed periodically by the Board and updated on the basis of need and new Compliance.

The Key Policies are as follows:

Name of the Policy	Brief Description
VIGIL MECHANISM/ WHISTLE BLOWER POLICY	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management genuine concerns including unethical behavior, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy is provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2016/02/Vigil-Mechanism-policy.pdf
REMUNERATION POLICY	The Board has on the recommendation of Nomination and Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Remuneration Policy is provided on the website of the Company and may be accessed by clicking on the following link http://kalyanicommercialsltd.com/wp-content/uploads/2020/01/Nomination-Remuneration-Policy.pdf
POLICY FOR DETERMINING MATERIALITY OF EVENT OR INFORMATION	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality. The Policy of determining Materiality of event/information is provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wpcontent/uploads/2020/06/Policy-on-materiality-informationKalyani.pdf

KALYANI COMMERCIALS LIMITED

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Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

POLICY OF PRESERVATION OF RECORDS	This policy sets the Standards for classifying, managing and storing the records of the Company. The Purpose of this policy is to establish framework for effective records Management and the process for subsequent archival of such records. The policy of preservation of records is provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2020/06/policy-for-preservation-of-records-Kalyani.pdf
KYC AND AML POLICIES	This policy is made to prevent criminal elements from using Company for money laundering activities and to enable the Company to know/ understand its customers and their financial dealings better which, in turn, would help the Company to manage risks prudently. The KYC and AML policies provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2016/02/KYC-and-AML-Policy.pdf
TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS	This has prescribed the code of conduct terms and conditions of appointment of the Independent Directors, which are subject to the provisions of the applicable laws, including the Companies Act, 2013 ('2013 Act')and Clause 49 of the Listing Agreement (as amended from time to time). The policy on terms and conditions of Appointment of Independent Director provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2016/02/Terms-and-Condition-of-appointment-of-ID.pdf
FAIR PRACTICE CODE	This Code prescribes the guidelines to cover the general principles on adequate disclosures on the terms and conditions of a loan and adopting a non-coercive recovery method. The Fair Practice Code provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2021/07/KCL-FAIR-PRACTICES-CODE-1.pdf
POLICY FOR DETERMINING MATERIAL SUBSIDIARIES	The Board has adopted a policy for determining material subsidiaries. The policy for determining Material Subsidiaries is provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wpcontent/uploads/2019/08/POLICY-ON-DETERMINING-MATERIAL-SUBSIDIARIESFinal.pdf

INSIDER TRADING PROHIBITION CODE PURSUANT TO (SEBI (PIT) REGULATIONS, 2015)	This Code has been formulated to regulate, monitor and report trading by the Designated Persons to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code is prescribed to ensure that the Designated Persons do not trade in the Securities of the Company when in possession of UPSI, and to prevent any speculative dealings, knowingly or unknowingly, by the Designated Persons. The Policy was amended in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018, incorporating 'legitimate purpose' in connection with sharing of UPSI. The code on Insider Trading Prohibition Code Pursuant To (SEBI (PIT) Regulations, 2015) is provided on the website of the Company and may be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2019/07/Kalyani-Insider-Trading-Prohibition-Code-April-01-2019-Revised.pdf
POLICY ON RELATED PARTY TRANSACTION(S)	In compliance with the Listing Regulations, the Company has the policy for transactions with Related Parties (RPT Policy). During the year, the Company has revised its Policy on dealing with Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The RPT Policy is available on the Company website and can be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wp-content/uploads/2019/07/RPT-Kalyani.pdf
POLICY ON FAMILIARIZATION OF INDEPENDENT DIRECTORS	This policy has been formulated to familiarize the independent directors with the Company, the functions of the Company and specify their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various Programs. The policy on familiarization is available on the Company website and can be accessed by clicking on the following link: http://kalyanicommercialsltd.com/wpcontent/uploads/2019/07/POLICY-ON-FAMILIARISATION-PROGRAMME-Kalyani.pdf

31. REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013

Your Company is committed to ensuring that all are treated with dignity and respect and having zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and adequate access has been provided to complainants who wish to register a complaint under the policy. All employees (permanent contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company..

32. DISCLOSURE ABOUT COST AUDIT

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the FY 2020-21.

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosure and the provisions of Section 135 and schedule VII of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company.

34. ANNUAL RETURN

The draft Annual Return in Form MGT-7 for the Financial Year 2020-21 is uploaded on the website of the Company and the same could be accessed by clicking on following link:

http://kalyanicommercialsltd.com/wp-content/uploads/2021/09/Form_MGT_7.pdf

35. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2021 and is annexed as **Annexure- V** of this Annual Report for the reference of the stakeholders.

36. INTERNAL AUDIT & CONTROL

During the year under review, the internal control and internal audit system was adequate in the company and is working effectively and efficiently. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

Further, pursuant to Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, M/s Pratibha Jain, Chartered Accountant, is the Internal Auditor of the Company for the Financial Year 2020-21 who performed all the duties as required to perform by the Internal Auditor under the Companies Act, 2013.

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

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. During the year under review, the Company had no earnings and expenditure in foreign exchange.

38. GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders.

Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders. To support the 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

39. CAUTIONARY STATEMENT

Statements in the Directors Report and the Management Discussion and Analysis describing the company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include: domestic demand and supply conditions affecting selling prices, new capacity additions, availability of materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the company.

40. APPRECIATION

The Directors take this opportunity to express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation, continued guidance, support and look forward to their continued support in future. The Directors would also like to place on record the sincere dedication, commitment and hard work of our employees and their contribution to your Company's performance. We are deeply grateful for the confidence and faith that you have always reposed in us.

By the order of the Board
For KALYANI COMMERCIALS LIMITED

Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 03/09/2021
Place: New Delhi

KALYANI COMMERCIALS LIMITED
Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

Annexure –I

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part: "A" Associate

1.	**Name of Associate**	**Ganganagar Vehicles Private Limited**
2.	Reporting period for the Subsidiary/Associate concerned	**2020-21**
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rs.
4.	Share capital	9,50,00,000/-
5.	Reserves & surplus	27,011,558.44/-
6.	Total assets	2,17,13,24,063.22/-
7.	Total Liabilities	2,05,02,01,635.00/-
8.	Turnover	3,66,21,35,905.68/-
9.	Profit before taxation	3,03,64,174.74/-
10.	Provision for taxation	68,48,300 (deferred Tax exp (58,702/-)
11.	Profit after taxation	2,35,74,576.74/-
12.	Proposed Dividend	Nil
13.	% of shareholding	42.02%
14.	Names of Subsidiaries/ Associates which are yet to commence operations	Nil
15.	Names of Subsidiaries/ Associates which have been liquidated or sold during the year.	

By the order of the Board
For KALYANI COMMERCIALS LIMITED

Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Shankar Lal Agarwal
(Managing Director)
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Address: AE-166, Shalimar Bagh,
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Annexure-II

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 arm length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis- N.A.

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

2. Details of material contracts or arrangement or transactions at arm's length basis: As table given below:

S. No.	Particulars	Details of the Parties					
a)	**Name(s) of the related party and nature of relationship**	*Kota Trucks Private Limited*		*Ganganagar Vehicles Private Limited*		*Mala Agarwal*	*Sourabh Agarwal*
b)	**Nature of contracts / arrangements/ transactions**	Purchases	Sales	Purchases	Sales	Payment of Lease Rent	Payment of Lease Rent
c)	**Duration of the contracts/arrangements/transaction**	1 Year	1 Year	1 Year	1 Year	60 Months	60 Months
d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	On Purchase order Basis	On order Basis	On Purchase order Basis	On order Basis	As per Lease agreement	As per Lease agreement
e)	**Date(s) of approval by the Board, if any**	02nd July, 2020	02nd July, 2020	02nd July, 2020	02nd July, 2020	30th May 2017	28th May, 2019
f)	**Amount paid as advances, if any**	-	-	-	-	-	-

By the order of the Board
For Kalyani Commercials Limited

Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 03/09/2021
Place: New Delhi

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Annexure III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2021
[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,
Kalyani Commercial Limited

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s KALYANI COMMERCIAL LIMITED** (hereinafter called as "the Company") for the Financial Year ended on 31st March, 2021 (hereinafter called as the "period under review"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 has 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 but 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 period under review, checked the applicability of the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not applicable during the period under review.**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable during the period under review.**

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

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable during the period under review.**

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable during the reporting period.**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018; **Not Applicable during the period under review.**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **- Not applicable during the period under review.**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **Not Applicable during the period under review.**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the period under review.**

(vi) Reserve Bank of India Act, 1934;

(vii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015;

(viii) Applicable Labour laws:

a) Payment of Gratuity Act, 1972;
b) Maternity Benefit Act, 1961;
c) Employees Provident Fund Act, 1952;
d) Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
e) Payment of Wages Act, 1936

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

- Secretarial Standards issued by The Institute of Company Secretaries of India**.**
- The Listing Agreements entered into by the Company with Stock Exchanges; **Not Applicable during the period under review as no new listing agreement has been executed**.

During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has complied with the provisions of applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations:

- *The Company has made voluntary application for Surrender of Certification of Registration of NBFC (COR) DATED June 28, 2019 which is still in process. However the Company stopped complying with NBFC provisions from the date of application of Surrender of COR. In this regard the Company received an e-mail from NBFC officials clarifying and directing the Company to treat itself as an NBFC and to comply with all the provisions of NBFC. From December 18, 2020 till Financial Year ended March 31, 2021 the Company has complied with all the provisions of NBFC except as specifically mentioned hereinafter in this report.*
- *CIC Registration as provided under the Reserve Bank of India Circular No. DNBS (PD).CC. No 200 / 03.10.001/ 2010-11 dated 17th September, 2010 and related notifications issued in relation of the same, has not been acquired by the Company.*
- *Pursuant to SEBI Circular No-SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 wherein Issuer Companies through their RTA shall take special efforts to collect copy of PAN, and bank account details of all securities holders holding securities in physical form. While collecting details, RTAs shall ensure that they send a letter under registered/Speed post seeking PAN and bank details (a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder) within 90 days of the circular and two reminders thereof after the gap of 30 days. All the 3 letters will have 21 days' notice period to provide the details.*
  a) With respect to the same, the Company through their RTA has not sent the letters to the Shareholders under registered /Speed post seeking PAN and bank details within 90 days of the circular and further, no such two reminders were given after the gap of 30 days. All these 3 letters were required to have 21 days' notice period to provide the details.
- *The National Stock Exchange of India Limited (NSE) has levied a fine dated October 14, 2020 of Rs. 10,000/- (Rupees Ten Thousands only) on the Company due to delay of 1 (One) day in filing advance intimation of Board Meeting held*

for the June 2020 quarter at least 5 (five) days before the date of Board Meeting. The NSE levied the fine in accordance with SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.However the Company had made an application to NSE regarding waiver of fine which was subsequently rejected by the NSE and the Company had duly paid the fine on April 20, 2021.

- *The Company had not given the Intimation of resignation of Ms. Chandni Arora, Company Secretary & Compliance Officer of the Company in pursuance to Master Direction - Non - Banking Financial Company - Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016 to Reserve Bank of India.*

We further report that

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

2. Adequate notices were given to all Directors to schedule the Board Meetings. Also, agenda and detailed notes on Agenda were sent to all the Directors at least seven days in advance. Also, 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.

3. 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.

For Grover Ahuja & Associates,
Company Secretaries

Supriya Sinha
(Partner)
COP No. : 22811
Membership No.: A27658
UDIN: A027658C000874504

Date: September 01, 2021
Place: Pune

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

'Annexure'

To,
The Members,
Kalyani Commercial Limited

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

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

2. We have followed the audit practices and 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.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management Representation Letter about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

For Grover Ahuja & Associates,
Company Secretaries

Supriya Sinha
(Partner)
COP No. : 22811
Membership No.: A27658
UDIN: A027658C000874504

Date: September 01, 2021
Place: Pune

KALYANI COMMERCIALS LIMITED

Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

Annexure-IV

Information as per Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Top Ten Employees in terms of Remuneration Drawn

S. No.	Name of Employee	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualifications	Experience	Date of commencement of employment	Age	Last Employment held	Percentage of shares held	Whether relative of any Director/Manager
1.	Manish Jhamb	General Manager (Sales)	9,60,000	Regular	B.Com	12 Years	01/07/2008	49	Uasha Arth Movers	0.0002	No
2.	Jayant Sharma	Deputy General Manager (Spare)	6,96,000	Regular	B.Com	9 Years	12/10/2011	54	Pushpa Motors	Nil	No
3.	Anil Singh Shekhawat	Business Manager (Sales)	6,96,000	Regular	M.B.A	3 Years	16/08/2017	37	Eicher Motors	Nil	No
4.	Ajay Kumar Vaishnav	Workshop Manager	6,00,000	Regular	Diploma	14 Years	01/08/2018	38	Rajesh Motors	Nil	No
5.	Ashutosh Bagadia	Manager	6,00,000	Regular	CA	18 Years	01/06/2020	39	Sheetal Transport	Nil	No
6.	Namita Bagadia	Manager	6,00,000	Regular	MA	8 Years	01/06/2020	37	Business	Nil	No
7.	Rajpal Choudhary	Business Manager (Spare Parts)	5,40,000	Regular	Senior Secondary	14 Years	01/09/2006	48	N.A.	0.04	No
8.	Pawan Kumar Mishra	Manager(Workshop)	4,49,112	Regular	Diploma Mechanicial Eng.	2.5 Years	06/12/2017	32	N.A.	Nil	No
9.	Aditya Banerjee	Deputy General Manager (Accidental)	5,31,292	Regular	XII+ Diploma	12 Years	01/07/2008	53	Rajesh Motors	Nil	No
10.	Mahipal Singh Hada	Deputy General Manager (Spare Parts)	5,40,000	Regular	M.A.	18 Years	02/09/2002	42	N.A.	0.04	No

By the order of the Board
For Kalyani Commercials Limited

Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 03/09/2021
Place: New Delhi

Annexure-V

Management Discussion and Analysis Report

INDUSTRY OVERVIEW

The automobile industry was hit hard in fiscal 2021 as sales fell across vehicle segments. The COVID outbreak has cast a long shadow over a much-anticipated mild recovery in the Indian economy in fiscal 2022. In FY21, the sector recorded its worst annual volume decline for the two-wheelers and passenger cars, while the medium and heavy commercial industry saw the worst fall in the history.

Auto industry body, Society of Indian Automobile Manufacturers (SIAM) has forecasted weak bleak scenario for the current fiscal in terms of sales as well as investments. The industry body said during the current year the auto sector is looking at a decline of 26-45% depending on the vehicle category. COVID-19 pandemic is majorly responsible for such depressing figures. (Description regarding NBFC)

OUR INDUSTRY SEGMENT

The automobile sector is one of the key segments of the economy having extensive forward and backward linkages with other key segments of the economy. The Indian automobile industry comprises of a number of Indian-origin and multinational players, with varying degree of presence in different segments. Automobile dealer Industry plays the vital role of link between the manufacturer of the automobile and the consumer. With large inventories of cars, dealers provide consumers with a wide array of vehicles to meet their needs at different price points.

However due to pandemic automobile dealers don’t expect demand to recover anytime soon, especially in urban regions, despite lockdown curbs being eased.

Weak consumer confidence, especially in urban areas, continues to haunt as buyers stayed away from concluding their purchase due to threat of community spread [of virus] and return of the complete lockdown.

BUSINESS

The Company is engaged in trading of Heavy Commercial Vehicles, Three Wheelers and servicing (Dealership of Bajaj and TATA), Petroleum Product Dealership.

OPPORTUNITIES AND THREATS

India being one of the largest automobile markets in the world, has a bright future because of several factors like rapid urbanisation, Car buyers getting younger, growing middle class, overall growth of other industries, infrastructure development and the improved road infrastructure. This along with rising disposable income, aspirations for a better lifestyle and a slew of new product launches lined up by companies would aid overall increase in sales volumes. The Company, with its wide portfolio is expected to benefit from the same. Further, per capita penetration at around eighteen cars per thousand is among lowest in the world. This growing consumerism is expected to lead to an increase in car penetration.

Threats

The impact of the COVID-19 pandemic has created significant volatility in the global economy and led to reduced economic activity. There have been extraordinary actions taken by international, federal, state, and local public health and governmental authorities to contain and combat the outbreak and spread of COVID-19 in regions throughout the world, including travel bans, quarantines, “stay-at-home” orders, and similar mandates for many individuals to substantially restrict daily activities and for many businesses to curtail or cease normal operations. The pandemic has resulted, and may continue to result, in significant economic disruption that has and likely continue to adversely affect our business.

The ultimate impact of the pandemic on our business, results of operations and financial condition will depend on numerous evolving factors and future developments, including the ultimate duration, spread, severity and repetitiveness of the outbreak; the ultimate extent and duration of its effect on the global economy and how quickly and to what extent normal economic and operating conditions resume.

OUTLOOK AND FUTURE PROSPECTS

India is expected to emerge as the Third Largest passenger Vehicle market by 2021; however Auto industry body, Society of Indian Automobile Manufacturers (SIAM), has projected single digit growth in FY 2020-21.
The Indian automotive sector has the potential to generate up to US$251.4-282.8 billion annual revenue by 2026. While automotive industry is likely to remain impacted in the short-term due to COVID-19 pandemic, encouraging recovery is seen in China. It is expected that other economies will follow a similar pattern in due course. Increased urbanisation and localised transport policies have opened up new opportunities for Mobility as a service, most notably in cities. Electric vehicles are gaining a lot of traction in shared mobility space and TML has been a front-runner in this newly evolving segment, entering into various strategic partnerships

RISKS & CONCERNS

Risks Associated with Company’s Business and the Automotive Industry Company has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm Company’s business, prospects, financial condition and results of operation.
Since the end of 2019, a disease caused by a novel strain of coronavirus ('COVID-19'), has spread in China and throughout the world, and the World Health Organisation declared the COVID-19 outbreak a pandemic in March 2020. No fully effective treatments or vaccines have been developed as of the date of this Annual Report, and such development of treatments or vaccines may take a significant amount of time. The COVID-19 pandemic and associated governmental responses have adversely affected workforces, consumer sentiment, economies and financial markets. Such adverse effects, along with decreased consumer spending, have led to a global economic downturn.

The COVID-19 pandemic and the resulting business disruptions in several jurisdictions where Company operates could have a material adverse impact of Company’ operations, liquidity, business, financial conditions

Any future impact on the Company’s business may take some time to materialize and may not be fully reflected in the results for the last quarter of FY 2020-21. Even after the COVID-19 pandemic subsides, Company may continue to experience an adverse impact to the business as a result of its global economic impact, including any recession that has occurred or may occur.

Deterioration in global economic conditions could have a material adverse impact on Company’s sales and results of operations.

The automotive industry could be materially affected by the general economic conditions and developments in India and around the world and investors’ reaction to such conditions and developments. The automotive industry, in general, is cyclical, and economic slowdowns in the recent past have affected the manufacturing sector in India, including automotive and related industries. Deterioration of key economic Metrics, such as the growth rate, interest rates and inflation, reduced availability of competitive financing rates for vehicles, implementation of burdensome environmental and tax policies, work stoppages and increase in freight rates and fuel prices could materially and adversely affect Company's automotive sales and results of operations

Intensifying competition could materially and adversely affect Company’s sales, financial condition and results of operations.
SUBSIDIARY COMPANY

S. No.	**Company**	**Subsidiary/Joint Venture/Associates Company**	**Shareholding**
1	Ganganagar Vehicles Private Limited	Associate	42.02%

HUMAN RESOURCES

The Company's relations with the employees continued to be cordial.

FINANCIAL RESULTS

The Financial performance of the Company for the Financial Year ended 31st March, 2021 is summarized below:-

(Rs. In Crore, except EPS)

Particulars	**Consolidated**		**Standalone**	
	For the year Ended		**For the year Ended**	
	31.03.2021	**31.03.2020**	**31.03.2021**	**31.03.2020**
Total Revenue	227.37	640.68	135.05	227.72
Total Expenses	225.22	641.01	134.41	227.64
Profit Before Tax & Extraordinary Item	2.48	1.14	0.98	1.13
Extraordinary Item	0.00	0.00	0.00	0.00
Tax Expenses				
- **Current Tax**	0.54	0.50	0.34	0.24
- **Deferred Tax Liability(Net)**	(0.03)	(0.05)	(0.03)	(0.00)
- **Income Tax Earlier Year**	0.03	0.00	(0.03)	(0.00)
Profit / Loss For The Year After Tax	**2.45**	**0.69**	**0.63**	**0.88**
Total Other Comprehensive Income / Loss	(0.19)	0.07	(1.88)	0.07
Total Comprehensive Income / Loss	**2.26**	**0.76**	**0.44**	**0.95**
Profit attributable to				
c) **Parent**	1.61	0.01	-	-
d) **Non-Controlling Interest**	0.65	(0.00)	-	-
Earnings Per Share (EPS)				
c) **Basic**	**16.16**	**8.53**	**4.43**	**9.55**
d) **Diluted**	**16.16**	**8.53**	**4.43**	**9.55**

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The company operates in two segments. Hence segment wise performance is discussed as follows:

❖**Primary Segment: Business Segment**

Based on the guiding principles given in Accounting Standard AS –17 “Segment Reporting” notified under Companies (Accounting standard) Rules 2006, the Company’s operating business are organized and managed separately according to the nature of products.

The Two identified reportable segments. One is Automobile segment in which trading of vehicle and servicing (Including Heavy Commercial Vehicles and Three wheelers) and other includes and Retail out let of petroleum products (BPCL).

❖**Secondary Segment: Geographical segment**

The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers,

Secondary Segment Reporting (By Geographical segment)

The following is the distributions of the company’s consolidated revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	**2020-21**	**2019-20**
Revenue from Domestic Market	22737.03	64068.29
Revenue from Overseas Market	0.00	0.00
Total	**22737.03**	**64068.29**

Geographical segment wise receivables:

Particulars	**2020-21**	**2019-20**
Receivables from Domestic Market	1373.57	3413.29
Receivables from Overseas Market	0.00	0.00
Total	**1373.57**	**3413.29**

Geographical segment wise Fixed Assets:

Particulars	**2020-21**	**2019-20**
In India	433.76	2670.24
Outside India	0.00	0.00
Total	**433.76**	**2670.24**

❖**Segment accounting polices:**

In addition to the significant accounting policies applicable to the business segment, the accounting policies in relation to segment accounting are as under:

i) Segment revenue & expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of Commercial Vehicle. While most of the assets/liabilities directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interests on such balances are not charged.

iv) Information about business segments :

For the year ending as **on *31st March, 2021***.

(Rs. In Lacs)

Particulars	**Automobile**		**Others**		**Total**	
	Curr. Year	**Prev. Year**	**Curr. Year**	**Prev. Year**	**Curr. Year**	**Prev. Year**
Segment Revenue : External sales/income (Net)	21956.01	63174.48	781.01	893.81	22737.02	64068.29
Other receipt	33.95	145.82	0.00	0.00	33.95	145.82
Total Revenue	**21989.96**	**63320.30**	**781.01**	**893.81**	**22770.97**	**64214.11**
Segment Results : Segments results	542.51	1394.13	15.89	12.46	558.40	1406.59
Unallocated expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00
Operation profit before Interest	542.51	1394.13	15.89	12.46	558.40	1406.59
Financial exp.	(310.42)	(1293.02)	0.00	0.00	(310.42)	(1293.02)
Income tax current/Earlier Year	(56.98)	(49.70)	0.00	0.00	(56.98)	(49.70)
Less: Deferred tax Liability	2.61	4.65	0.00	0.00	2.61	4.65
Net Profit	**210.49**	**63.11**	**15.89**	**12.46**	**226.38**	**75.57**
Other Information : Segment Assets	6247.71	9462.58	151.34	125.47	6399.05	9588.05
Inter Branch Unallocated assets	0.00	0.00	0.00	0.00	0.00	0.00
Total Assets	**6247.71**	**9452.58**	**151.34**	**125.47**	**6399.05**	**9588.05**
Segments Liabilities : Share Capital	100.00	100.00	0.00	0.00	100.00	100.00

Reserve & Surplus	812.28	666.53	141.20	125.30	953.48	791.83
Secured & Unsecured Loan	3208.89	4775.53	0.00	0.00	3208.89	4775.53
Segment liabilities	2126.53	3516.73	10.14	0.17	2136.68	3516.90
Unallocated liabilities	0.00	403.78	0.00	0.00	0.00	403.78
Deferred tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities	**6247.71**	**9462.57**	**151.34**	**125.47**	**6399.05**	**9588.04**
Capital Expenditure	0.00	110.19	0.00	0.00	0.00	110.19
Depreciation	243.39	472.66	0.00	0.00	243.39	472.66

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilization.

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by highly qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the, an Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

CAUTIONARY STATEMENT

This report describing the Companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc. may contain “forward looking statements” based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

By the order of the Board
For Kalyani Commercials Limited

Sourabh Agarwal
(Whole Time Director)
DIN: 02168346
Address: AE- 166, Shalimar Bagh,
New Delhi- 110088

Shankar Lal Agarwal
(Managing Director)
DIN: 01341113
Address: AE-166, Shalimar Bagh,
New Delhi- 110088

Date: 03/09/2021
Place: New Delhi

KALYANI COMMERCIALS LIMITED

Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

NOTICE OF 36TH ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the members of **Kalyani Commercials Limited** will be held on Tuesday, the 28th Day of September, 2021 at 11:00 A.M. at the registered office of the Company situated at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042 to transact the following business:

ORDINARY BUSINESS:

ITEM NO.: 1 To receive, consider and adopt the Audited Financial Statements of the Company (including audited consolidated financial statements) for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon, along with the cash flow statements.

ITEM NO.: 2 To Appoint a Director in place of Ms. Manushree Agarwal (DIN No. 06620217), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

ITEM NO.: 3 APPOINTMENT OF MS. NIKHITA AGARWAL (DIN: 07834481) AS AN INDEPENEDENT DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass with or without modification, the following resolution as ***Special Resolution:***

"RESOLVED THAT pursuant to the provisions of section 149, 150, 152, and other applicable provisions, if any, of the Companies Act,2013 and rules made thereunder (including any stator modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013,and pursuant to the approval of the board in their Board Meeting held on 14th August, 2021, Ms. Nikhita Agarwal (DIN: 07834481), who has submitted a declaration that she meets the criteria of independence under sec 149(6) of the Companies Act, and who is eligible to be appointed as an independent director be and is hereby appointed as an independent director of the company to hold office for a term of five years with effect from the date of ensuing meeting annual general meeting**"**

ITEM NO.: 4 RE-APPOINTMENT OF MR. SHANKAR LAL AGARWAL (DIN: 01341113) AS THE MANAGING DIRECTOR OF THE COMPANY DESIGNATED AS KEY MANAGERIAL PERSONNELOF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as ***Ordinary Resolution:***

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, and pursuant to the approval of the board in their Board Meeting held on June 29, 2021, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Shankar Lal Agarwal (DIN: 01341113) as the Managing Director of the Company designated as Key Managerial Personnel for a period of five years w.e.f. from 29th June, 2021 to 28th June, 2026 on the terms and conditions of appointment and remuneration as contained in the draft agreement and on the terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and are hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the resolution and to seek such approval/consent from the government departments, if any, as may be required in this regard**".**

ITEM NO.: 5 RE-APPOINTMENT OF MR. SOURABH AGARWAL (DIN: 02168346) AS THE WHOLE TIME DIRECTOR OF THE COMPANY DESIGNATED AS KEY MANAGERIAL PERSONNEL OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as ***Ordinary Resolution:***

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, and pursuant to the approval of the board in their Board Meeting held on June 29, 2021, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sourabh Agarwal (DIN: 02168346) as the Whole Time Director of the Company for a period of five years effective from 29th June, 2021 to 28th June, 2026 on the terms and conditions of appointment and remuneration as contained in the draft agreement and on the terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and are hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the resolution and to seek such approval/consent from the government departments, if any, as may be required in this regard**".**

For and on behalf of the Board
KALYANI COMMERCIALS LIMITED

Date: 03/09/2021
Place New Delhi

SOURABH AGARWAL
(Whole Time Director)
DIN: 02168346
Address: AE-166, Shalimar Bagh,
New Delhi-110088

KALYANI COMMERCIALS LIMITED

Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**

   In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

   PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE. An incomplete proxy form or proxy form received beyond time limit is liable to be rejected. A proxy form is enclosed.

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Annual Report. No extra attendance slip and/or Annual Report will be provided at the venue of the Annual General Meeting. Also, Route map to the venue of meeting is enclosed.

3. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

4. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting.

5. Pursuant to section 91 of the Companies Act, 2013, the register of members and the share transfer books of the Company will remain closed from 22nd September, 2021 to 28th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.

6. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ M/s. Skyline Financial Services Private Limited.

8. The Company is providing facility of REMOTE E-VOTING and the business may be transacted through such voting. Details instructions are provided in the notice itself.

   The facility for voting through Ballot paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

9. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

10. The ISIN of the Equity Shares of Rs.10/- each is INE610E01010.

11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.The said form can be downloaded from the Members' reference available on the Company's website under Investor resources. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

12. As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, Members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.

13. Electronic copy of the Notice of Annual General Meeting and Annual Report 2020-21 is being sent to all the members whose email IDs are registered with the Company/Depositories for communication purposes unless any member has requested for a hard copy of the same.

14. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hour of all working day till the conclusion of the Annual General Meeting at the registered office of the Company.

15. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Skyline Financial Services Private Limited, D-153/A, 1st floor, Phase I, Okhla Industrial Area, New Delhi, Delhi 110020, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers. Members holding shares in electronic form may update such information with their respective Depository Participants.

16. Members are requested to notify the change in address, if any, to the Company quoting their Folio Numbers, Name and number of share held by them etc.

17. Members are requested to register their e-mail addresses with the Company or depository for receiving communications including Annual Reports, Notices and Circulars etc. by the Company electronically.

18. For security reasons, no article/baggage will be allowed at the venue of the meeting.

19. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.

20. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. 3 to 5 set out above and the relevant details of the Directors seeking appointment/re- appointment at this AGM as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/reappointment.

21. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection by members and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.

22. The persons who have acquired shares and become members of the Company after the dispatch of notice and holding shares as on the cut-off date i.e. 21st September, 2021 then the member may obtain Login ID and other e-Voting related details from the Company.

23. Only bona fide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

24. DECLARATION OF RESULTS ON THE RESOLUTIONS:

The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favor and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website http://kalyanicommercialsltd.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the proceedings to National Stock Exchange of India Ltd., where the securities of the Company are listed.

Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 28, 2021.

25. VOTING THROUGH ELECTRONIC MEANS

i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) 2015 , the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

iii. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

iv. The remote e-voting period commences on 25th September, 2021 (09:00 am) and ends on 27th September, 2021 (05:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

v. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

KALYANI COMMERCIALS LIMITED

Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

Step 1: Log-in to NSDL e-Voting system *The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

	
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

KALYANI COMMERCIALS LIMITED

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Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to 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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	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 CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	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. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user 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 to 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.

3. 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.

4. Upon confirmation, the message "Vote cast successfully" will be displayed.

5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

6. 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 srsecretarialadvisor@gmail.com with a copy marked to 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 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 or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Abhishek Mishra at evoting@nsdl.co.in

(i) Please follow Step1 and Step 2 above to cast vote.

i. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

ii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

iii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

iv. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2021.

v. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 21st September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or kalyanicommercialslimited@gmail.com. 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.

vi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

vii. Ms. Akanksha Chaudhary on behalf of M/s. GA & Associates Company Secretaries LLP has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

viii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

ix. 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.

x. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange.

26. The **COVID 19** is a Global Pandemic and has disrupted the social & business activities worldwide. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. Hence, keeping in mind the safety of our stakeholders, directors, secretarial and statutory auditors we have ensured following measures while conducting Annual General Meeting of the Company:-

- Sanitization of the premises;
- Aaryogyasetu app and body temperature of every individual to be checked before allowing entrance in the premises;
- No one is allowed without Masks;
- Every attendee has to adhere to the social distancing norms;
- No eatables will be served due to COVID-19 during meeting.
- Everyone is requested to carry their water bottles along with.

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

The following statement sets out all material facts relating to all the Special Business mentioned in the accompanying Notice:

ITEM NO.3: APPOINTMENT OF MS. NIKHITA AGARWAL (DIN:07834481) AS AN INDEPENEDENT DIRECTOR OF THE COMPANY

Ms. Nikhita Agarwal has been working in the field of Business and Finance for a long time. She possesses analyzing skills and rich experience in the field of Business and Finance. She is competent and capable to hold the current position and provide valuable services to the Company and execute work in a balanced manner.

Also Ms. Nikhita Agarwal, has given a declaration to the board that she meets the criteria of independence as provided under Section 149(6) of the Companies Act,2013. In the opinion of the board, Ms. Nikhita Agarwal fulfills the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as Independent Director of the company and she is independent of the management. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and she has given her consent to act as Director.

The Board at their opinion that appointment and presence of Ms. Nikita Agarwal on the Board will be desirable, beneficial and in the best interest of the Company and Therefore, Board in their Meeting held on 14th August, 2021 had appointed Ms. Nikhita Agarwal as the Independent Director of the Company. Hence, recommends resolution set out in Item no. 3 of the accompanying Notice for approval and adoption of the Members.

Details of Ms. Nikhita Agarwal are enclosed herewith and marked as *Annexure-A* forms part of this notice.

None of the Directors of the Company are interested in the proposed resolution

ITEM NO.4: RE-APPOINTMENT OF MR. SHANKAR LAL AGARWAL (DIN: 01341113) AS THE MANAGING DIRECTOR OF THE COMPANY DESIGNATED AS KEY MANAGERIAL PERSONNELOF THE COMPANY

Mr. Shankar Lal Agarwal is associated with the company from its inception and is having vast expertise and experience in the field of commercial vehicles, two wheelers, petroleum products and finance industry. He is handling the operations of the company very efficiently and diligently. He has always worked for the company wholeheartedly. His tenure is expiring on 28th August, 2021. Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Shankar Lal Agarwal on the Board of the Company and accordingly the Board recommends the reappointment of Mr. Shankar Lal Agarwal as a Managing Director as proposed in the resolution set out at Item No. 4 for approval by the Members. The term and conditions of his re-appointment are as follows:

- A salary at the rate of Rs. 50,000 (Rupees One Lac only) per month w.e.f July 01, 2021, which may be reviewed by the Board.
- Reimbursement of medical and hospitalization expenses of the Managing Director and his family subject to a ceiling of one month salary in a year.
- Leave Travel Allowance for the Managing Director and his family once in a year in accordance with the Company policy.
- Bonus for the financial year, at the discretion of the Company, with shareholder approval.
- Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence.
- Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.
- Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.

- Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.
- The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine.

Details of Mr. Shankar Lal Agarwal are enclosed herewith and marked as *Annexure-A* forms part of this notice.

Therefore, the Directors of your company recommend the aforesaid resolution for your consideration and approval.

Mr. Sourabh Agarwal and Ms. Manushree Agarwal, Whole Time Director and Non-executive Director respectively being the close relatives of Mr. Shankar Lal Agarwal are interested in the aforesaid resolution..

ITEM NO.5: RE-APPOINTMENT OF MR. SOURABH AGARWAL (DIN: 02168346) AS THE WHOLE TIME DIRECTOR OF THE COMPANY DESIGNATED AS KEY MANAGERIAL PERSONNEL OF THE COMPANY

Mr. Sourabh Agarwal is an eminent Professional and associated with company from a long period of time. He is handling the operations of the company very efficiently. However, his tenure of Whole time Director is expiring on 28th August, 2021. Given his experience and contribution towards the Company, the Board considers it desirable and in the interest of the Company to have Mr. Sourabh Agarwal on the Board of the Company and accordingly the Board recommends the reappointment of Mr. Sourabh Agarwal as Whole Time Director as proposed in the resolution set out at Item No. 5 for approval by the Members. The terms and condition of his re-appointment are as on the following terms and conditions:

The terns and condition of his re-appointment are as follows:

- A salary at the rate of Rs. 50,000 (Rupees One Thousand only) per month w.e.f July 01, 2021, which may be reviewed by the Board.
- Reimbursement of medical and hospitalization expenses of the Whole Time Director and his family subject to a ceiling of one month salary in a year.
- Leave Travel Allowance for the Whole Time Director and his family once in a year in accordance with the Company policy.
- Bonus for the financial year, at the discretion of the Company, with shareholder approval.
- Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence
- The Whole Time Director shall be entitled to such increment from time to time as the Board may by its discretion determine.
- Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.
- Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.
- Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

Details of Mr. Sourabh Agarwal are enclosed herewith and marked as *Annexure-A* forms part of this notice.

Therefore, the Directors of your company recommend the aforesaid resolution for your consideration and approval.

Mr.Shankar Lal Agarwal and Ms. Manushree Agarwal, Managing Director and Non-executive Director respectively being the close relatives of Mr. Shankar Lal Agarwal are interested in the aforesaid resolution.

For and on behalf of the Board
KALYANI COMMERCIALS LIMITED

SOURABH AGARWAL
(Whole Time Director)
DIN: 02168346
Address: AE-166, Shalimar Bagh,
New Delhi-110088

Date: 03/09/2021
Place: New Delhi

KALYANI COMMERCIALS LIMITED

Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road,Delhi-110042
CIN: L65923DL1985PLC021453
E-mail: kalyanicommercialslimited@gmail.com
Website: www.kalyanicommercialsltd.com
Ph.: 011- 43063223, 011-47060223

ANNEXURE 'A' TO THE NOTICE

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting [Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meeting]

Name of the Director	**Ms. Manushree Agarwal**	**Mr. Shankar Lal Agarwal**	**Mr. Sourabh Agarwal**	**Ms. Nikhita Agarwal**
DIN	06620217	01341113	02168346	07834481
Age (Years)	36 Years	65 Years	40 Years	33Years
Nationality	Indian	Indian	Indian	Indian
Qualification	BE, MBA	B.COM	MBA	Chartered Accountant
Experience (years)	9 Years	30 Years	12 Years	7 Years
Brief Resume	Ms. Manushree is associated with the Company for more than 5 years. She is a person of positivism and dynamism.	Mr. Shankar Lal Agarwal is associated with the Company from a period of time. He devotes his full time to the Company and he is a person of knowledge and repute.	Mr. Sourabh Agarwal is a very knowledgeable person and his association with Company also proved very beneficial for the Company.	Ms. Nikhita Agarwal is CA by professional and having vast knowledge and experience to the Business and Finance.
Expertise in Special Functional Area	Industry, Leadership, Board procedures and Governance, etc.	Industry, Leadership, Board procedures and Governance, etc.	Industry, Leadership, Accounts & Finance, Board procedures and Governance, etc.	Industry, Leadership, Accounts & Finance, Board procedures and Governance, etc.
Date of First Appointment on the Board of the Company	June 18, 2013	September 13, 2001	May 05, 2008	August 14, 2021
Terms & condition of re-appointment/appointment	Non-Executive Director liable for retire by rotation	Managing Director not liable for retire by rotation.	Whole Time Director not liable for retire by rotation	Independent Non-Executive Director not liable for retire by rotation
Details of remuneration sought to be paid and remuneration last drawn	NIL	Rs. 6,00,000/- (Rupees Six Lakh per annum)	Rs. 6,00,000/- (Rupees Six Lakh per annum)	NIL
Shareholding in the Company (Equity Share of face value Rs. 10/- each)	-	418000 Equity Shares of Rs. 10/-	28400 Equity Shares of Rs. 10/-	NIL
Relationship between the Directors inter se and other Key Managerial Person	Spouse of Mr. Sourabh Agarwal, Whole Time Director of the Company Daughter in Law of Mr. Shankar Lal Agarwal Managing Director of the Company	Father of Mr. Sourabh Agarwal, Whole Time Director of the Company Father-in-law of Ms. Manushree Agarwal, Director of the Company	Son of Mr. Shankar Lal Agarwal, Managing Director of the Company Spouse of Ms. Manushree Agarwal, Director of the Company	None
No. of Board Meetings attended during the year	11 of 11	11 of 11	11 of 11	-

List of Directorship held in Other Companies (excluding Foreign Companies)	NIL	Ganganagar Automobiles Private Limited; Ganganagar Vehicles Private Limited; Kota Trucks Private Limited; I-Maven Automotive Private Limited; GBM Vahaan Private Limited Argent Leasing And Finance Private Limited	Ganganagar Automobiles Private Limited; Ganganagar Vehicles Private Limited; Kota Trucks Private Limited; I-Maven Automotive Private Limited; GBM Vahaan Private Limited	Director-Goodluck Capinvest Private Limited
Membership/ Chairmanships of Committees of Boards of Other Companies. (only Audit Committee and Stakeholders' Relationship Committee have been considered)	NIL	NIL	NIL	NIL

Note:

a) The aforesaid information is as at 31st March, 2021.

b) b) The Directorships/Committee Memberships exclude foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.

c) Only two committees viz. Audit Committee and Stakeholder Relationship Committee have been considered for determining Chairmanship/Membership which is pursuant to the provisions of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.

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:L65923DL1985PLC021453
Name of the Company: Kalyani Commercials Limited
Venue of the Meeting: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110042
Date and Time: Tuesday, 28th September, 2021 at 11:00 A.M.

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/her

2. Name: ____________________________ Address: ____
E-mail ID: _________________________ Signature: ___________________________, or failing him/her

3. Name: ____________________________ Address: ____
E-mail ID: _________________________ Signature: ___________________________, or failing him/her

as my/our Proxy to attend vote (for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on **Tuesday, the 28th day of September, 2021 at 11:00 A.M.** at **BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042** and at any adjournment thereof) in respect of such resolutions as are indicated below:

S. No.	Resolution	Number of shares held	For	Against
ORDINARY BUSINESS:				
1.	Adoption of Consolidated and Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.			
2.	To Appoint a Director in place of Ms. Manushree Agarwal (DIN No. 06620217), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.			
SPECIAL BUSINESS:				
3.	Appointment of Ms. Nikhita Agarwal (DIN: 07834481) as an Independent Director of the Company.			

4.	Re-appointment of Mr. Shankar Lal Agarwal (DIN: 01341113) as the Managing Director of the Company designated as Key Managerial Personnel of the Company			
5.	Re-appointment of Mr. Sourabh Agarwal (DIN: 02168346) as the Whole Time Director of the Company designated as Key Managerial Personnel of the Company			

** This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the “For” or “Against” column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write “Abstain” across the boxes against the Resolution.

Signed this …… Day of ……………………… 2021

Signature of shareholder...……………………………….

Signature of Proxy holder(s) ………………………………….

Affix One Rupee Revenue Stamp

Note:

a. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ELECTRONIC VOTING PARTICULARS

EVEN(Electronic Voting Event Number)	**PASSWORD**	**USER ID**	**NO. OF SHARES**

The e-voting facility will be available during the following voting period:

Commencement of e-voting	25th September, 2021 at 09:00 A.M.
End of e-voting	27th August, 2021 at 05:00 P.M.

- **The cut-off date for the purpose of e-voting is 21st September, 2021.**

ATTENDANCE SLIP

Registered Folio / DP ID & Client ID
Name and Address of the Shareholder

1. I hereby record my presence at the 36th Annual General Meeting of the Company being held on at the registered office of the company, at BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi-110 042

2. Signature of the Shareholder/Proxy Present

3. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

NOTE: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	User ID	Password / PIN

Note: Please read the instructions printed under the Note to the Notice dated 03rd September, 2021 of the 36th Annual General Meeting of the Company. The E-Voting period starts from 9:00 A.M on Saturday, 25th September; 2021and ends at 05:00 P.M Monday, 27th September, 2021. The e-Voting module shall be disabled by NSDL for voting thereafter.

Form No. MGT-12
[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

POLLING PAPER

FOR THIRTY SIXTH ANNUAL GENERAL MEETING SCHEDULED ON TUESDAY, THE 28TH DAY OF SEPTEMBER, 2021 AT REGISTERED OFFICE OF THE COMPANY AT BG-223, SANJAY GANDHI TRANSPORT NAGAR, GT KARNAL ROAD, NEW DELHI-110042 AT 11:00 A.M.

S. No.	Particulars	Details
1.	Name of the first named shareholder (in block letters)	
2.	Postal Address	
3.	Registered Folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share Equity	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S.No.	Resolution	No. of Shares Held	For	Against
1.	Adoption of Consolidated and Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.			
2.	To Appoint a Director in place of Ms. Manushree Agarwal (DIN No. 06620217), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.			
3.	Appointment of Ms. Nikhita Agarwal (DIN: 07834481) as an Independent Director of the Company**.**			
4.	Re-appointment of Mr. Shankar Lal Agarwal (DIN: 01341113) as the Managing Director of the Company designated as Key Managerial Personnel of the Company			
5.	Re-appointment of Mr. Sourabh Agarwal (DIN: 02168346) as the Whole Time Director of the Company designated as Key Managerial Personnel of the Company			

Place: 03/09/2021 **(Signature of the Shareholder)** **(Name & Signature of the Proxy)**
Date: New Delhi

Note: Proxy who are attending and voting in this Thirty Sixth Annual General Meeting on behalf of members are requested to first write their name before signing it

Dematerialization of physical shares and Updation of Bank Details & PAN

Dear Shareholders,

We would like to inform you that Securities and Exchange Board of India (SEBI) vide their Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 Dated 20th April, 2018 has mandated all listed Companies to make payment of dividend to the shareholders through approved electronic mode and also directed that updated bank details and PAN of the Shareholders be obtained and maintained by the Companies.

We observe from our records that you have been holding shares in physical form as on date and PAN and Bank details have not been updated in your Folio. Hence, we request you to send us the enclosed form, duly filled and signed (including joint holders, if any) along with the following documents to us at our above address within 21 days from the date of this letter to update the records for payment of any future dividend.

1) Self-attested copy of PAN card including joint holders. In case of residence of Sikkim, the requirement of PAN Card be substituted with a valid Identity proof issued by Government.

2) Original Cancelled Cheque Leaf bearing the name of Sole / first named shareholder (or) attested copy of Bank passbook.

Please also provide your Email Id, Phone / Mobile No. for record as well as for us to send to you communication by electronic means in accordance with various circulars issued by the Ministry of Corporate Affairs from time to time.

Further, We would also like to inform you that SEBI vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f. April 01, 2019.

You are accordingly advised to dematerialize your physical shareholding at earliest. After April 01, 2019, no request for transfer of shares in physical form can be processed by the Company/RTA.

In order to dematerialize your shares, please open a Demat Account with any of the Depository Participant and submit your physical share certificate(s) with them for dematerialization to avoid inconvenience at later stage. An early action in the matter will save you from unnecessary hassle at a later date.

Thanking you,

Yours faithfully,
For Skyline Financial Services Private Limited

Authorized Signatory

KALYANI COMMERCIALS LIMITED
CIN: L65923DL1985PLC021453
Regd. Office: BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, delhi-110042
Phone: 011- 43063223, 011-47060223

E-communication Registration Form

(As per circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

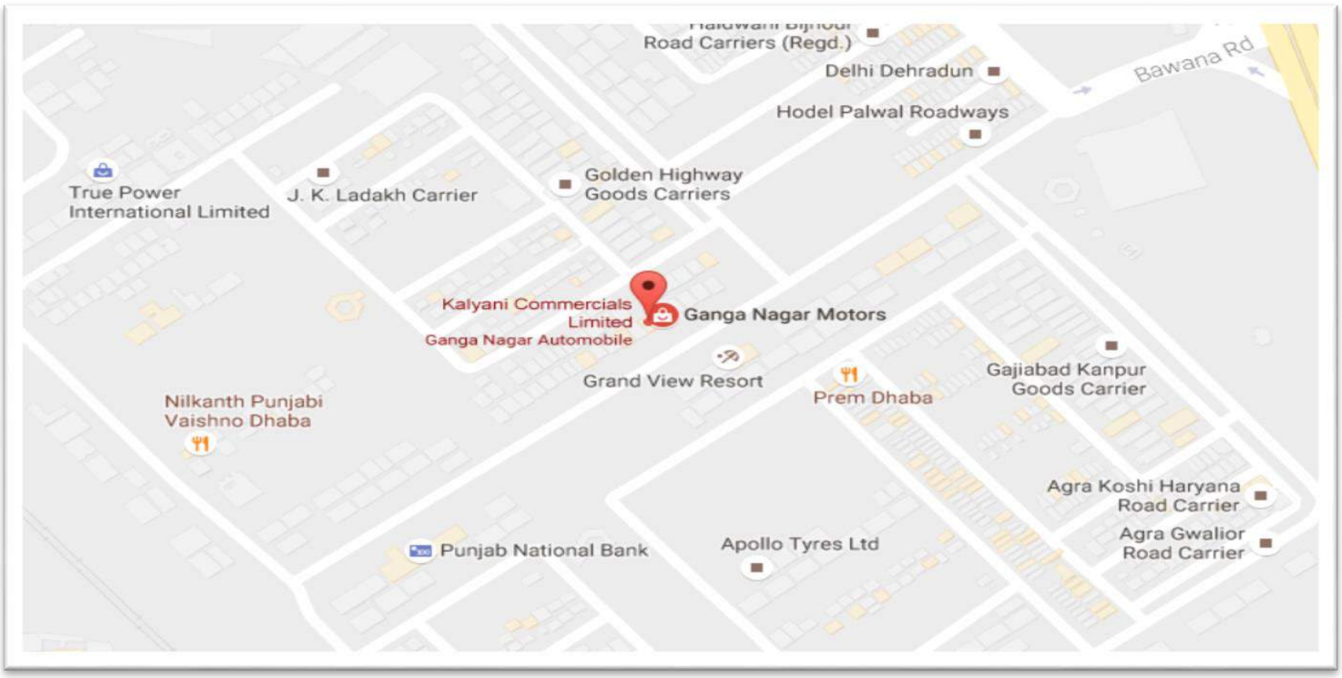
Folio No. / DPID & Client ID : …………….................……………………………………
Name of First Registered Holder : …………………………………………………
Name of Joint Holder(s) : …………………………………………………
Registered Address : …………………………………………………
E-mail ID (to be registered) : …………………………………………………

I / We, Members of Kalyani Commercials Limited, agree to receive all communication from the Company in electronic mode. Please register my above-mentioned e-mail id in your records for sending communication through e-mail.

Date:
Signature:………………………….
(First Holder)

Notes:
1) On registration, all the communication will be sent to the e-mail id registered for the folio.
2) Members are requested to keep the Company/Depository Participants informed as and when there is any change in the e-mail address.
3) Members are requested to attach a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as Aadhar card/ latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID card/Bank Passbook particulars) along with its form.

Route Map



If undelivered please return to:

KALYANI COMMERCIAL LIMITED
Regd. Office: *BG-223, Sanjay Gandhi Transport Nagar,*
GT Karnal Road, Delhi-110042
E-mail:[*kalyanicommercialslimited@gmail.com*](mailto:kalyanicommercialslimited@gmail.com)

M.C. Bhandari & Co. **Phone: 9414189339**
Chartered Accountants
38, Shopping Centre,
Kota – 324007 (Raj.)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KALYANI COMMERCIALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KALYANI COMMERCIALS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matters

1. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. During the year 2019-20 the company has voluntarily surrendered its NBFC status to the RBI and continued to running its normal business activities i.e. trading in Commercial Vehicle and Petroleum dealership of BPCL.

   Our opinion is not modified in respect of this matter.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	AUDITORS' RESPONSE
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances	**Principal Audit Procedures** We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry, observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information of management controls relating to sales and service and other related information used in recording and disclosing revenue in accordance with the revenue accounting standard.

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

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

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

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

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

Management's Responsibilities for the Standalone Financial Statements

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

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

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

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

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long term contract including derivative contract for which there were any material foreseeable losses.

iii. There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

CA. S.K. Mahipal
Partner
Membership No. 070366

Place: Delhi
Dated: 29.06.2021
UDIN: 21070366AAAAAQ1036

M.C. Bhandari & Co. **Phone: 9414189339**
Chartered Accountants
38, Shopping Centre,
Kota – 324007 (Raj.)

ANNEXURE A TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 1 under the heading of "Report on other legal and Regulatory requirements" of the independent Auditor's Report on the Accounts of KALYANI COMMERCIALS LIMITED ("The Company'') for the year ended on 31st March 2021.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i. In respect of fixed assets :

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

b) The fixed assets were physically verified during the year by the management in accordance with a program of verification, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification as compared to books records.

c) The title deeds of all the immovable properties are held in the name of the Company

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification/ material discrepancies noticed on physical verification have been properly dealt with in the books of account.

iii. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act . Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv. In our opinion the, company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to the Company during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess or other material statutory dues outstanding as at 31 March 2021 for a period of more than six months from the date they became payable

b. The dues outstanding in respect of Income Tax and VAT on account of disputes are as under:

Name of the Statute	Nature of Dues	Demand (Rs. In Lakhs)	Amount paid against demand (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax Act, 1961	Income Tax	3.06	2.29	FY 2017-18	CIT(A)
RVAT Act	Sales Tax (Interest and ITC Reversal)	652.57	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax (Interest and ITC Reversal)	647.81	38.79	FY 2013-14	Commissioner (A)

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) .in our opinion and information and explanation given to us the company has not defaulted in repayment of due to banks .

x. No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

xi. In our opinion, managerial remuneration has been paid (and)/ provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv. The company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. The Company was registered under section 45-IA of the Reserve Bank of India Act, 1934. However, the company has surrendered voluntarily the license on dated 28.06.2019. Please refer note 44 to the financial statements

For M.C. Bhandari & Co.

Chartered Accountants
Firm Registration No.: 303002E

Place: Delhi
Dated: 29.06.2021
UDIN:21070366AAAAAQ1036

CA. S.K. Mahipal
Partner
Membership No. 070366

M.C. Bhandari & Co. **Phone: 9414189339**
Chartered Accountants
38, Shopping Centre,
Kota – 324007 (Raj.)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KALYANI COMMERCIALS LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 KALYANI COMMERCIALS LIMITED (the "Company") as of March 31, 2021 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 Board of Directors of the Company 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 (the "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 respective 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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial 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 ICAI.

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

Place: Delhi
Dated: 29.06.2021
UDIN:21070366AAAAAQ1036

CA. S.K. Mahipal
Partner
Membership No. 070366

KALYANI COMMERCIALS LIMITED
Balance Sheet as at 31st March 2021

Amount in Rs.

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	4,33,75,655.60	4,78,69,557.50
(b) Investment property	5	14,26,236.29	15,43,482.62
(c) Right to use assets	6	-	63,99,734.00
(d) Intangible assets	7	55,040.86	78,976.65
(e) Financial assets			
(i) Investments	8	4,24,20,830.00	4,33,70,830.00
(ii) Other financial assets	9	9,46,552.85	38,41,697.85
(f) Current tax assets	10	9,86,543.67	11,32,301.67
(g) Defferred tax assets (Net)	11	25,99,885.00	13,94,381.00
(h) Other non-current assets		-	-
Total non-current assets		9,18,10,744.27	10,56,30,961.29
Current assets			
(a) Inventories	12	24,96,08,188.97	7,20,88,289.59
(b) Financial assets			
(i) Investments			
(ii) Trade receivables	13	13,73,56,791.77	13,36,09,978.07
(iii) Cash and cash equivalents	14	9,24,59,353.88	72,14,244.28
(iv) Bank balances other than (iii) above	15	-	-
(v) Other Financial assets	16	-	1,43,863.00
(c) Current Tax assets	17	-	2,08,144.74
(d) Other current assets	18	5,56,36,196.56	1,75,85,093.48
Total current assets		53,50,60,531.18	23,08,49,613.16
Total assets		62,68,71,275.45	33,64,80,574.45
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	1,00,00,000.00	1,00,00,000.00
(b) Other equity	20	8,23,14,126.02	7,78,81,800.97
Total equity		9,23,14,126.02	8,78,81,800.97
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	6	-	25,08,037.00
(ii) Borrowings	21	6,13,53,704.37	6,83,10,064.74
Total non-current liabilities		6,13,53,704.37	7,08,18,101.74
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	25,86,35,875.42	13,58,33,774.78
(ii) Trade payables	23	19,70,22,671.32	2,24,23,862.20
(iiii) Lease Liabilities	6	-	42,19,695.00
(iv) Other financial liabilities	24	8,98,810.74	12,05,867.18
(b) Other current liabilities	25	1,56,28,273.80	1,40,97,472.58
(c) Provisions	26	10,17,813.69	-
Total current liabilities		47,32,03,444.97	17,77,80,671.74
Total liabilities		53,45,57,149.34	24,85,98,773.48
Total equity and liabilities		62,68,71,275.36	33,64,80,574.45

See accompanying notes to the Standalone Financial Statements

Signed in terms of our report of even date annexed

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

S K Mahipal

Partner
M.No 070366

Nikita
CS
M. No. A-64384

Place : Delhi
Dated: 29.06.2021

KALYANI COMMERCIALS LIMITED

Statement of Profit and Loss for the year ended 31st March 2021

Amount in Rs.

Particulars	Note No	2020-21	2019-20
I Revenue from operations	27	1,35,05,02,392.16	2,27,72,46,007.62
II Other Income	28	34,61,781.02	1,04,53,415.57
III Total Income		**1,35,39,64,173.18**	**2,28,76,99,423.19**
IV Expenses:			
		-	
Changes in inventories of Trading Goods	29	(17,75,19,899.38)	29,44,08,832.82
Purchase of Trading Goods	30	1,43,70,21,543.26	1,83,09,15,808.43
Employee benefit expense	31	3,86,55,045.85	6,12,40,017.12
Financial costs	32	1,28,41,643.34	4,35,45,956.23
Depreciation and amortization expense	33	63,12,234.02	94,18,632.23
Other expenses	34	2,68,41,072.83	3,68,94,664.16
Total Expenses		**1,34,41,51,639.92**	**2,27,64,23,910.99**
V Profit before exceptional items and tax (III-IV)		98,12,533.26	1,12,75,512.20
VI Exceptional item		-	-
VII Profit/(loss) before tax (V-VI)		98,12,533.26	1,12,75,512.20
VIII Tax expense/ benefits			
(1) Current Income Tax		34,40,000.00	24,08,000.00
(2) Deferred tax (Assets)Liability		(2,61,466.00)	14,570.00
(3) Income Tax Expenses Earlier Years		3,17,556.21	12,241.00
IX Profit/(Loss) for the year after tax		**63,16,443.05**	**88,40,701.20**
XI Profit for the year		**63,16,443.05**	**88,40,701.20**
XII Other Comprehensive Income			
A i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		(28,28,156.00)	9,13,784.00
b) Equity instruments through Other comprehensive income		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		9,44,038.00	(2,09,074.00)
Total (A)		(18,84,118.00)	7,04,710.00
B i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments			
(b) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)			
ii) Income tax relating to items that will be reclassified to profit or loss			
Total (B)		-	-
Total Other comprehensive income / (loss) (A+B)		(18,84,118.00)	7,04,710.00
XIII Total comprehensive income / (loss)		**44,32,325.05**	**95,45,411.20**
Earning per equity share:			
(1) Basic		4.43	9.55
(2) Diluted		4.43	9.55

Significant Accounting Policies and Notes to the financial statements 1&2

Signed in terms of our report of even date annexed

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

CA S K Mahipal
Partner
M.No 070366

Nikita
CS
M. No. A-64384

Place : Delhi
Dated: 29.06.2021

KALYANI COMMERCIALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2021

		For the year ended	
		31.03.2021 (Rupees)	**31.03.2020 (Rupees)**
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit	44,32,325	95,45,411
	Add: Deferred Tax expense	(12,05,504)	2,23,644
	Provision for Tax	37,57,556	24,20,241
	Exceptional Item	-	-
	Profit before tax & Exeptional Items Including OCI	69,84,377	1,21,89,296
	Adjustment for:		
	Depreciation and amortisation	63,12,234	94,18,632
	Interest Income	(8,76,441)	(8,02,867)
	Interest on Lease	(62,064)	(1,30,938)
	Contingent Provision against standard Assets	-	(4,541)
	Provision	-	(12,457)
	Interest Expense	1,20,52,013	4,15,30,573
	Interest on Lease Expense	3,40,600	10,08,741
	Gain on remeasurement of lease liability	(14,59,173)	
	Profit on sale of Investment	(95,000)	
	Profit on Sale of Fixed Assets	(58,267)	(71,74,603)
	Operating profit before working capital changes	2,31,38,279	5,60,21,837
	Adjustments for movement in working capital :		
	Adjustments for (increase) / decrease in operating assets:		
	Stock	(17,75,19,899)	29,44,08,833
	Trade receivables	(37,46,814)	16,87,47,483
	Other Current Assets	(3,78,44,959)	(1,19,34,556)
		(21,91,11,672)	45,12,21,760
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	17,45,98,809	(5,73,34,528)
	Other current liabilities	15,30,801	(86,91,610)
		17,61,29,610	(6,60,26,138)
	Direct taxes paid/deducted at source	(23,85,840)	(27,17,994)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**(2,22,29,623)**	**43,84,99,464**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Long-term loans and advances recovered		
	Short-term loans and advances recovered	-	19,80,750
	Decrease/(Increase) in other non current financial assets	28,95,145	(19,15,399)
	Decrease/(Increase) in other current financial assets	1,43,863	(1,37,107)
	Interest Received	8,76,441	8,02,867
	Purchase of fixed assets	-	(11,10,444)
	Sale of Investment	10,45,000	
	Sale of Fixed Assets	69,512	84,21,000
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**50,29,961**	**80,41,667**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Increase/(Decrease) in Short Term Borrowings	12,28,02,101	(42,37,15,636)
	Increase/(Decrease) in long term borrowings	(69,56,360)	1,96,58,924
	Interest Paid	(1,20,52,013)	(4,15,30,573)
	Lease Rent Payment	(10,41,900)	(38,14,650)
	Increase/(Decrease) in other financial liabilities	(3,07,056)	(55,41,630)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES	**10,24,44,771**	**(45,49,43,564)**
D	**Net Increase/(Decrease) in cash and cash equivalents** (A+B+C)	**8,52,45,110**	**(84,02,433)**
E	**Cash and cash equivalents as at the end of previous period**	72,14,245	1,56,16,678
F	**Cash and cash equivalents as at end of the year**	**9,24,59,354**	**72,14,245**

Note:

The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
CFO
DIN: 02168346

S K Mahipal

Partner
M.No 70366

Nikita
CS
A-64384

Place : Delhi
Dated: 29.06.2021

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2021

A. Equity Share Capital **Amount in Rs.**

	As at 31.03.2020	Movement during the year 2021	As at 31.03.2021
Share Capital	1,00,00,000.00	-	1,00,00,000.00

B. Statement of changes in equity

Particulars	General Reserve	Statutory Reserve	Retained Earnings	OCI for Acturial loss	Total
Balance as at 31st March 2020	**3,27,097.00**	**-**	**7,59,03,066.97**	**16,51,637.00**	**7,78,81,800.97**
Change during the year 2020-21			-		-
Adjustment to Gratuity Plan					-
Profit for the year			63,16,443.05	(18,84,118.00)	44,32,325.05
Transfer to OCI			(7,04,710.00)	7,04,710.00	-
					-
Balance as at 31st March 2021	**3,27,097.00**	**-**	**8,15,14,800.02**	**4,72,229.00**	**8,23,14,126.02**

Note: Rs. 7.04 Lacs in the previous year was transferred to retained earning instead of OCI. The same has been corrected in the current year.

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

4. Property Plant & Equipment

Amount in Rs.

Particulars	Leasehold land	Commercial Land	Buildings	Plant and machinery	Electrical fittings	Office equipment	Furniture and fixtures	Computer	Vehicles	Tangibles Total
Cost/Deemed cost										
As at 31.03.2020	**25,63,311.00**	**1,16,57,836.00**	**5,88,12,677.43**	**1,34,06,906.60**	**27,55,949.55**	**82,44,532.29**	**1,00,71,116.27**	**1,03,00,900.84**	**90,98,014.11**	**12,69,11,244.09**
Addition										
Deduction									2,24,907.00	2,24,907.00
As at 31.03.2021	**25,63,311.00**	**1,16,57,836.00**	**5,88,12,677.43**	**1,34,06,906.60**	**27,55,949.55**	**82,44,532.29**	**1,00,71,116.27**	**1,03,00,900.84**	**88,73,107.11**	**12,66,86,337.09**
Accumulated Depreci										
As at 31.03.2020	**-**	**-**	**3,41,02,606.81**	**1,08,95,613.47**	**25,32,957.85**	**76,01,307.78**	**82,76,173.12**	**95,18,164.99**	**61,14,862.57**	**7,90,41,686.59**
depreciation expenses			23,71,761.15	4,69,067.85	45,052.91	1,34,950.98	4,10,978.87	1,95,678.79	8,55,166.35	**44,82,656.90**
Deduction	-	-	-	-	-	-	-	-	2,13,662.00	2,13,662.00
As at 31.03.2021	**-**	**-**	**3,64,74,367.96**	**1,13,64,681.32**	**25,78,010.76**	**77,36,258.76**	**86,87,151.99**	**97,13,843.78**	**67,56,366.92**	**8,33,10,681.49**
Carryng Value										
As at 31.03.2021	25,63,311.00	1,16,57,836.00	2,23,38,309.47	20,42,225.28	1,77,938.79	5,08,273.53	13,83,964.28	5,87,057.06	21,16,740.19	**4,33,75,655.60**
As at 31.03.2020	25,63,311.00	1,16,57,836.00	2,47,10,070.62	25,11,293.13	2,22,991.70	6,43,224.51	17,94,943.15	7,82,735.85	29,83,151.54	4,78,69,557.50
useful Life of the Assets	60-99	30.00	15.00	10.00	10.00	3.00	6.00	8-15	3.00	
Method of depreciation	NA	WDV	WDV	WDV	WDV	WDV	WDV	WDV	WDV	

Notes

1 Certain Property, Plant and Equipment are mortgaged against borrowings

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

5. Investment property Amount in Rs.

Particulars	Leasehold land		Buildings (Owned)	Tangibles Total
Cost/Deemed cost				
As at 31.03.2020	**3,16,114.00**	**-**	**32,95,498.00**	**36,11,612.00**
Addition	-			
Deduction	-			
As at 31.03.2021	**3,16,114.00**	**-**	**32,95,498.00**	**36,11,612.00**
Accumulated depreciation and impairment				
as at 31.03.2020	**-**		**20,68,129.38**	**20,68,129.38**
depreciation expenses			1,17,246.33	1,17,246.33
Deduction				
as at 31.03.2021	**-**		**21,85,375.71**	**21,85,375.71**
Carrying Value				
As at 31.03.2021	3,16,114.00		11,10,122.29	14,26,236.29
As at 31.03.2020	3,16,114.00		12,27,368.62	15,43,482.62
useful Life of the Assets (Years)				
Method of depreciation			WDV	

Disclosure pursuant to Ind AS 40 "Investment Property"

a. Amount recognised in the Statement of Profit and Loss for Investment Property.

Rs. In Lacs

Particulars	2020-21	2019-20
Rental Income derived from investment property	4.95	19.80
(Exclusive of GST)		
Total	**4.95**	**19.80**

Note: Due to outbreak of Covid - 19 on the request of the tenant, the Company has waived rent of Rs. 14.85 Lacs for 9 months during 2020-21. The above premises are given on rent to sister concern M/s Kota Trucks Private Limited.

b. Fair Market Value of Investment Property not done by the Company, therefor figures are not provided.

Particulars	2020-21	2019-20
A-165, IPIA, Kota		
Building A-165, IPIA, Kota		
Land and Building Sathoor, Bundi, Rajasthan		
Total	**-**	**-**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

6. Right to use Assets

The changes in the carrying value of right of use assets for the year ended March 31, 2021 are as follows:

Amount in Rs.

Particulars	Building
Balance as of March 31, 2020	63,99,734.00
Re-measurement	4,90,353.00
Reversal on cancellation	42,20,986.00
Total	16,88,395.00
Amortization	16,88,395.00
Balance as of March 31, 2021	-

The break-up of current and non-current lease liabilities as of March 31, 2021 is as follows:

Particulars	Amount
Current lease liabilities	-
Non-current lease liabilities	-
Total	-

The details regarding the lease payable as of March 31, 2021 on an undiscounted basis are as follows :

Particulars	Amount
Less than one year	-
One to five years	-
More than five years	-
Total	-

7. Intangible Assets

Amount in Rs.

Software	
Cost/Deemed cost	
As at 31.03.2020	**9,84,492.00**
Addition	-
Deduction	
As at 31.03.2021	**9,84,492.00**
Accumulated Amortization and impairment	
as at 31.03.2020	**9,05,515.35**
Amortization expenses	23,935.79
Deduction	
as at 31.03.2021	**9,29,451.14**
Carryng Value	
as at 31.03.2021	55,040.86
as at 31.03.2020	78,976.65
Useful Life of the assets (Range)	3.00
MethodOf Amortization	WDV

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

8. Investments (non current) Amount in Rs.

Particular	Paid up value	No. of Shares	As at 31.03.2021	As at 31.03.2020
Investment in equity investments				
Ordinary Share (Fully paid up)				
(at cost or deemed cost)				
Others				
Ganganagar Automobile Private Limited	10.00	2,50,000.00	25,00,000.00	25,00,000.00
Investment in Subsidiaries(Unquoted)				
(At cost or deemed cost)				
Ganganagar Vehicles Private Limited	10.00	39,91,783.00	3,99,17,830.00	4,08,67,830.00
Investment in Government securities (unquoted)				
(At Amortized Cost)				
National Saving Certificate (Deposited with in Sales Tax Dept. interest is to be adjusted on realisation)			3,000.00	3,000.00
Grand Total			**4,24,20,830.00**	**4,33,70,830.00**
Quoted				
Aggregate book value			-	-
Aggregate market value			-	-
Unquoted				
Aggregated carrying value			424.18	433.68
Investment at Deemed Cost/Cost			424.18	433.68

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

Amount in Rs.

	Particulars	As at 31.03.2021	As at 31.03.2020
9	**Other financial Assets (Non Current)**		
	Security Deposits/ Earnest Money	9,46,552.85	18,41,697.85
	Fixed Deposit with Banks	-	20,00,000.00
		9,46,552.85	**38,41,697.85**
	Security Deposit with related party (interest free)		
	Mala Agarwal	-	5,000.00

*The security deposit for which term is not determied as per agreement have not been taken at present value

	Particulars	As at 31.03.2021	As at 31.03.2020
10	**Current Tax Assets (net)**		
	Income Tax Paid (Net of Provision)	9,86,543.67	11,32,301.67
		9,86,543.67	**11,32,301.67**

11 Deferred Taxes Assets

Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

Particulars	As at 31.03.2020	Arising during the year	Arising during the year OCI	As at 31.03.2021
Deffered Tax Liability				
Right to Use Assets	14,64,260.00	(14,64,260.00)	-	-
Total	**14,64,260.00**	**(14,64,260.00)**	**-**	**-**
Deffered Tax Assets				
Gratuity	(2,09,074.00)		9,44,038.00	7,34,964.00
Property, Plant and Equipment	15,28,410.00	3,36,511.00	-	18,64,921.00
Lease Liability	15,39,305.00	(15,39,305.00)	-	-
Total	**28,58,641.00**	**(12,02,794.00)**	**9,44,038.00**	**25,99,885.00**
Net deffered tax (Assets)/liability	**13,94,381.00**	**2,61,466.00**	**9,44,038.00**	**25,99,885.00**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

	Particulars	As at 31.03.2021	As at 31.03.2020
			Amount in Rs.
12	**INVENTORIES (at lower of cost and net relisable value)**		
	Trading Goods	24,96,08,188.97	7,20,88,289.59
		24,96,08,188.97	**7,20,88,289.59**

Note:
Inventories have been hypothicated as security agaienst certain bank borrowings of the company

Cost of inventory recognised as an expense

Particulars	2020-21	2019-20
Changes in inventories of trading Goods	(17,75,19,899.38)	(6,46,27,886.19)
Stores and spares consumed	7,77,474.53	2,06,800.94
Power and fuel	22,62,216.00	28,49,790.00

	Particulars	As at 31.03.2021	As at 31.03.2020
13	**Trade receivables**		
	Outstanding for a period exceeding 6 months from the date they are due for payment (Unsecured)		
	Considered Good	27,51,990.54	50,24,577.69
	Considerd Doubtful	11,20,076.00	11,20,076.00
	Other debtors		
	Considered Good	13,46,04,801.23	12,85,85,400.38
		13,84,76,867.77	**13,47,30,054.07**
	Provision for doubtful made	11,20,076.00	11,20,076.00
	Total	**13,73,56,791.77**	**13,36,09,978.07**
	Ageing of Receivables That are past due but not impaired		
	Particulars		
	<180 days	13,46,04,801.23	12,85,85,400.38
	>180days	27,51,990.54	50,24,577.69
		13,73,56,791.77	**13,36,09,978.07**

Trade receivables have been given as Primery security towards borrowings

	Particulars	As at 31.03.2021	As at 31.03.2020
14	**CASH AND CASH EQUIVALENTS**		
	Balances with Banks		
	On Current Account	9,24,08,186.49	65,34,595.34
	Cash in Hand	51,167.39	6,79,648.94
		9,24,59,353.88	**72,14,244.28**
15	**Bank Balances Other than cash and cash equivalents**		
	In term deposit account		
	With maturity more than 3 months but less than 12 months at inception	-	-
	With maturity more than 12 months at inception	-	20,00,000.00
		-	20,00,000.00
	Amount disclosed under other Financial Assets (Non Current)	-	20,00,000.00
		-	**-**
	Note		
	Earmarked balance (In term deposit account)	-	20.00

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point

	Particulars	As at 31.03.2021	As at 31.03.2020
16	**Other Financial Assets (current)**		
	Interest Accrued on Fixed Deposits	-	1,43,863.00
		-	**1,43,863.00**
17	**Current tax Assets(Net)**		
	(i) Income taxes paid (Net of Provision)	-	2,08,144.74
		-	**2,08,144.74**
18	**Other Current assets**		
	Advances recoverable in cash or or in kind or for value to be received	17,22,686.76	65,60,189.43
	Prepaid Expenses	2,09,041.00	1,90,429.00
	Balance with revenue authorities etc.	5,28,33,209.80	81,16,196.05
	Gratuity fund assets (Net)	-	15,31,914.00
	Advance to Staff	8,71,259.00	11,86,365.00
		5,56,36,196.56	**1,75,85,093.48**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

Amount in Rs.

Particulars	As at 31.03.2021	As at 31.03.2020
19. SHARE CAPITAL		
AUTHORISED		
40,00,000 Equity Share Of Rs.10/- each	4,00,00,000.00	4,00,00,000.00
ISSUED,SUBSCRIBED AND PAID UP		
10,00,000 Equity Share Of Rs.10/- each	1,00,00,000.00	1,00,00,000.00
Total	1,00,00,000.00	1,00,00,000.00

Notes:

1. Rights, preferences and restrictions attached to equity shares .The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2. Details of Share holders holding more than 5 % equity shares as at 31.03.2021

		31.03.2021		31.03.2020	
Share Holder		No. of Share	Ownership Interest %	No. of Share	Ownership Interest %
Shankar Lal Agarwal		418000	41.80%	418000	41.80%

As per the records of the company including its register of share holder/members and other declaration received from share holders regarding benificial interest , the above share holding represents both legal and benificial ownership of shares.

Particulars	As at 31.03.2021	As at 31.03.2020
20. Other Equity		
Retained earnings	8,15,14,800.02	7,59,03,066.97
other comprehensive income		
Re measurments of the net defined benefit plans	4,72,229.00	16,51,637.00
Other reserve		
Statutory Reserve	-	-
General Reserve	3,27,097.00	3,27,097.00
TOTAL	**8,23,14,126.02**	**7,78,81,800.97**

KALYANI COMMERCIALS LIMITED LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

Amount in Rs.

21. Borrowings

Particulars	As at 31.03.2021		As at 31.03.2020	
	Non-current	**Current**	**Non-current**	**Current**
Secured Borrowings				
(A) TERM LOAN From Banks				
(in Indian currency)	20,24,114.00	5,30,874.00	34,79,505.00	8,67,330.00
(B) TERM LOAN From NBFC				
(in Indian currency)	59,33,195.00	3,67,936.74	7,02,364.74	3,38,537.18
Unsecured Borrowings (INR)				
Inter Corporate Deposits	1,91,58,816.07	-	3,53,53,195.00	-
From Directors	3,42,37,579.30		2,87,75,000.00	-
	6,13,53,704.37	**8,98,810.74**	**6,83,10,064.74**	**12,05,867.18**

Name Of Banker/NBFC/Other	As at 31.03.2021		As at 31.03.2020		Terms of repayments	Security
	Non-current	**Current**	**Non-current**	**Current**		
A. Term Loan from Banks (Secured)						
ICICI	16,83,891.00	4,42,687.00	21,26,578.00	4,00,130.00	Loan of Rs. 4000000/- sanctioned on 05.04.2015 at Kota for purchase of Flat No. 502-B, Type Orient Prem. P. No. 120, Shakti Nagar, Kota Repayable to ICICI from May 2015 in 120 Monthly installments starting from 05.05.2015 at an interest rate of 10.15 % till 05.04.2025. EMI Rs. 53193/-	Rupees term loan from bank is secured by mortgage of Flat located at Kota.
ICICI	3,40,223.00	88,187.00	4,28,410.00	79,868.00	Loan of Rs. 800000/- sanctioned on 05.05.2015 at Kota for renovation of above mentioned Flat. Repayable to ICICI from June 2015 in 120 Monthly installments starting from 05.06.2015 at an interest rate of 9.95% till 05.05.2025. EMI Rs. 10572/-	Rupees term loan from bank is secured by mortgage of Flat located at Kota.
Yes Bank Ltd (GD)			9,24,517.00	3,87,332.00	Loan of Rs. 1972038/-sanctioned on 28.04.2018 at GD AUTO FARIDABAD foR CAR purchase. Repayable to ICICI in 600 Monthly installments (Due with in One Year Rs. 361663)starting from 15.05.2018 at an interest rate of 8.65 % till 15.04.2023	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation OF INNOVA CRYSTA (Vehicle)
	20,24,114.00	**5,30,874.00**	**34,79,505.00**	**8,67,330.00**		

TATA MOTORS FINANCE LIMITED	3,33,195.00	3,67,936.74	7,02,364.74	3,38,537.18	Loan of Rs. 1680000/-sanctioned on 29.01.2018 at KOTA for HEXA purchase. Repayable to YBL from February 2018 in 60 Monthly installments starting from 02.02.2018 at an interest rate of 8.76 % till 02.01.2023	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of TATA HEXA (Vehicle)
TATA MOTORS FINANCE SOLUTIONS LTD (FAST TRACK LOAN)	56,00,000.00	-			Loan of Rs. 5600000/-sanctioned on 31.03.2021 at KOTA for traade funding. Repayable to Tata Motor Finance from April 2022 in 36 Monthly installments starting from 04.04.2022 at an interest rate of 11% till 31.03.2025	Hypthecation of Current Assets
	59,33,195.00	**3,67,936.74**	**7,02,364.74**	**3,38,537.18**		

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

Particulars	As at 31.03.2021	As at 31.03.2020
		Amount in Rs.
22 Short Term Borrowings (current)		
Secured		
Working Capital Loan		
(a) Indian Rupee (See Note - 1)	-	2,84,92,043.93
(b) From Other Bank (See Note - 2)	24,41,93,650.22	7,58,48,857.13
(c) From NBFC (See Note - 3)	1,19,79,919.20	3,14,92,873.72
Unsecured		
From HDFC Bank	24,62,306.00	-
	25,86,35,875.42	**13,58,33,774.78**

1. Cash Credit Limit from HDFC is secured by way of hypothecation of all company`s current assets including all stocks and book debts and other movable,both present and future . These loans are further secured / to be secured by way of first charge by way of mortgage, by deposit of titledeeds in respect of factory land and building located at Kota and also personal guarantees of the Shri Shankar Lal Agarwal & Sourabh Agarwal Directors of the company.

2. Secured by way of hypothecation of stock and book debts and from banks i.e. Axis Bank Ltd. by Rs. 232.10 Lacs. HDFC by Rs 879.63 Lacs, Std. Chartered Bank by Rs. 909.59 Lacs, and ICICI Bank by Rs. 420.61 Lacs

3. Secured by way of hypothecation of book debts and Stock from NBFC and outstanding balance at the year end from Tata Motors Finanace Solution Ltd. by Rs 119.80

4. Rate of Intt is from 8.65% to 11.75%

Particulars	As at 31.03.2021	As at 31.03.2020
23 Trade Payables		
(a)Micro, small and Medium enterprises Development Act, 2006	-	-
(b) Others (Trade Payable and others)	19,70,22,671.32	2,24,23,862.20
	19,70,22,671.32	**2,24,23,862.20**
24 Other Financial Liabilities (Current)		
Current Maturity of Long Term Borrowings	8,98,810.74	12,05,867.18
	8,98,810.74	**12,05,867.18**
25 Other Current liablities		
Advance from Customers	92,58,612.80	77,17,334.19
Statutory Levies	37,88,518.00	63,80,138.39
Gratuity Obligation (Net)	25,81,143.00	
	1,56,28,273.80	**1,40,97,472.58**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
as at 31st March 2021

Amount in Rs.

	Particulars	As at 31.03.2021	As at 31.03.2020
26	**Provisions (current)**		
	Provision for Employees Benefits		
	For Gratuity	-	-
	Income Tax (Net)	10,17,813.69	-
		10,17,813.69	**-**

Income Taxes

Indian companies are subject to Indian income tax on a consolidated basis. Each entity is

Statutory income taxes are assessed based on book profits prepared under generally accepted

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current Tax		
Tax provision	34.40	24.05
Tax refund/reversal pertaining to earlier years	3.18	0.12
Total Current Tax	**37.58**	**24.17**
Deferred Tax		
Deferred Tax	(2.61)	0.15
Deferred Tax OCI	-	2.09
Total Deferred tax	**(2.61)**	**2.24**
Total tax expense debited to profit & Loss A/c	34.97	26.41

A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Profit/loss befor tax	105.9	112.76
Enacted Tax rate in India	33.38%	33.38%
Expected income tax expense/ (benefit) at statutory tax rate	35.35	37.64
Expenses/Capital Gain/depreciation as per books not deductible in determining taxable profits	65.95	119.08
Capital Gain on fixed assets and gain on investment	(0.95)	(71.75)
		-
Expenses deductible including depreciation as per IT Act in determining taxable profits	(73.53)	(103.06)
Additional deduction as per tax		
Tax on Capital Gain 20% on profit on sale of equity shares	0.19	11.01
Tax Expense for the year	34.4	24.05
Effective income tax rate	32.48	21.33

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF

Statement of Profit and Loss for the year ended 31st March 2021

Amount in Rs.

	Particulars	2020-21	2019-20
27	**Revenue From Operations**		
	Sale of Products (A)		
	Sales of Vehicle and Spare Parts thereof including oil, Lubricants and Petro Products (Net of discount)	**1,31,16,24,628.29**	**2,21,58,70,528.51**
	Sale of Services (B)		
	Job work Receipt	3,21,79,968.54	5,02,69,076.44
	Commission Received	10,81,099.00	29,04,988.00
	Incentive Income	56,16,696.33	82,01,414.67
	(A+B)	**1,35,05,02,392.16**	**2,27,72,46,007.62**
	Particulars of Sales of Products		
	Vehicle & vehicle Body	1,11,50,49,966.38	1,96,30,00,912.90
	Spare Parts & accessories	11,82,14,938.81	16,15,49,362.87
	Oil & Lubricants	48,400.01	43,495.84
	Petro Products	7,80,52,729.89	8,93,38,001.19
	Old Vechicals \ Others	2,58,593.20	19,38,755.71
	Total	**1,31,16,24,628.29**	**2,21,58,70,528.51**
28	**OTHER INCOME**		
	Interest income	8,76,441.25	8,02,866.57
	Rent	4,95,000.00	19,80,000.00
	Interest on Lease	62,064.00	1,30,938.00
	Interest on Gratuity (Net)	26,150.00	1,52,110.00
	Miscellaneous Income	3,89,685.82	1,95,900.00
	Contingent Prov. Agst Std. Assets	-	4,541.00
	Excess Provision of Income Tax	-	12,457.00
	Gain on Re-measurement of Lease Liability	14,59,173.00	
	Profit on Sale of Investment	95,000.00	-
	Profit on Sale of Fixed Assets	58,266.95	71,74,603.00
	Total	**34,61,781.02**	**1,04,53,415.57**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF
Statement of Profit and Loss for the year ended 31st March 2021

	Particulars	2020-21	2019-20
			Amount in Rs.
29	**Changes in inventories of Trading Goods**		
	OPENING INVENTORIES		
	Trading Goods		
	Vehicles	2,71,83,142.00	32,54,24,977.02
	Spare Parts	4,12,96,398.21	3,83,55,804.38
	Oil & Lubricants	1,06,179.69	58,474.27
	Petrol (MS)	8,74,640.58	8,41,104.43
	Diesel (HSD)	24,04,059.11	15,84,907.31
	Battery Water and Acid	870.00	1,455.00
	Used Vehicle	2,23,000.00	2,30,400.00
		7,20,88,289.59	**36,64,97,122.41**
	CLOSING INVENTORIES		
	Trading Goods		
	Vehicles	22,18,13,326.23	2,71,83,142.00
	Spare Parts	2,31,96,712.79	4,12,96,398.21
	Oil & Lubricants	65,119.09	1,06,179.69
	Petrol (MS)	10,51,741.59	8,74,640.58
	Diesel (HSD)	34,79,469.27	24,04,059.11
	Battery Water and Acid	1,820.00	870.00
	Used Vehicle	-	2,23,000.00
		24,96,08,188.97	**7,20,88,289.59**
	INCREASE (DECREASE) IN INVENTORIES	**(17,75,19,899.38)**	**29,44,08,832.82**
30	**Purchase of Trading Goods**		
	Purchases Vehicle (Net of Incentive / Claims)	1,26,96,54,971.01	1,60,26,90,455.09
	Purchases Spare Parts & Accessories (Net of Incentive / Claims)	9,12,40,665.31	13,97,42,710.15
	Purchase Petro Product (Net of Incentive claim)	7,61,25,906.94	8,71,18,793.19
	Purchase Used Vehicle	-	13,63,850.00
		1,43,70,21,543.26	**1,83,09,15,808.43**
31	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries,Wages,Bonus, Gratuity and Allowances etc.	3,45,18,283.00	5,44,49,044.00
	Contribution of PF, ESI and other welfare fund scheme	26,81,206.00	39,23,189.00
	Employee Welfare Exp. Including compensation	1,44,505.85	14,17,582.12
	Contribution to Gratuity	13,11,051.00	14,50,202.00
		3,86,55,045.85	**6,12,40,017.12**
32	**Finance Costs**		
	Bank charges	4,49,030.78	10,06,643.53
	Interest Expenses		
	a) On Term Loan	4,97,031.75	39,26,497.57
	b) On working capital/others	1,15,54,980.81	3,76,04,075.13
	Interest on Lease	3,40,600.00	10,08,740.00
		1,28,41,643.34	**4,35,45,956.23**
33	**Depreciation and amortization expense**		
	Depreciation on Property Plant & Equipment	44,82,656.90	55,67,041.11
	Amortisation of Investment Property	1,17,246.33	1,29,629.38
	Amortisation of Intangible Assets	23,935.79	64,971.74
	Amortization of Right to use	16,88,395.00	36,56,990.00
		63,12,234.02	94,18,632.23

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF

Statement of Profit and Loss for the year ended 31st March 2021

Amount in Rs.

	Particulars	2020-21	2019-20
34	**Other Expenses**		
	Trading & Job / Servicing Expenses		
	Stores, Spares and Tools Consumed.	7,77,474.53	3,30,850.00
	Job work and other charges	1,04,62,457.30	1,20,99,957.13
	Repairs and Maintenance		
	a) To Machinery	7,05,878.00	9,45,088.97
	b) To Building	-	21,839.56
	Insurance Expenses	3,44,367.13	5,56,035.65
		1,22,90,176.96	**1,39,53,771.31**
	Establishment and Selling Exp.		
	Freight and Transportation Expenses	5,000.00	86,768.50
	Rent	10,11,000.00	16,60,140.00
	Electricity & Water	22,62,216.00	29,08,599.00
	Telephone, telex and postage	10,60,172.85	14,77,861.09
	Travelling and conveyance expenses	5,69,604.00	13,83,047.95
		-	
	Legal, consultancy, retainership, professional	14,99,294.00	21,99,414.70
	General repairs	85,903.44	4,49,696.49
	Vehicle running and maintenance	12,75,216.23	16,29,242.80
	Miscellaneous expenses	21,62,283.55	60,80,306.14
	Payment To Auditors	1,00,000.00	1,00,000.00
	Advertisement	1,68,064.17	4,49,045.12
	Donation	-	31,000.00
	Sales Promotion	2,09,801.63	7,62,957.22
	Claims / rebate and discount exp.	5,71,788.00	6,80,813.84
	Sales Commission	30,24,480.00	30,42,000.00
	Bad & Doubtful Debts	5,46,072.00	-
		1,45,50,895.87	**2,29,40,892.85**
		2,68,41,072.83	**3,68,94,664.16**

Notes to the standalone financial statements

35. Segment Reporting:

(a) Primary Segment: Business Segment

Based on the guiding principles given in "Ind Accounting Standard –108 Operating Segment" notified under Companies (Accounting standard) Rules 2006, the Company's operating business are organized and managed separately according to the nature of the product of Tradingd and services provided. The two identified reportable segments. One is automobile segment in which trading of vehicles and servicing (including Heavy Commercial Vehicle and Three Wheelers) and other which includes retail outlet of Petroleum Products (BPCL).

Secondary Segment: Geographical segment:
The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers.

Secondary Segment Reporting (By Geographical segment)
The following is the distribution of the company`s revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Revenue from domestic Market	13505.02	22772.46
Revenue from Overseas Market	0.00	0.00
Total	13505.02	22772.46

Geographical segment wise receivables:

Particulars	2020-21	2019-20
Receivable of domestic Market	1373.57	1336.10
Receivables of Overseas Market	0.00	0.00
Total	1373.57	1336.10

Geographical segment wise Property, Plant & Equipment:

Particulars	2020-21	2019-20
In India	433.76	478.70
Outside India	0.00	0.00
Total	433.76	478.70

a) Segment accounting polices :
In addition to the significant accounting policies applicable to the business segment as set in note 2, the accounting policies in relation to segment accounting are as under:

i) Segment revenue & expenses :
Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:
Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of the Commercial Vehicle. While most of the assets/liabilities can be directly

attributed to individual segments, the carrying amount of certain assets /liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales :
Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interest on such balances are not charged.

iv) Other segment having revenue from sale of external customers in excess of 10% of total revenue of all segments is shown separately and others are shown in other segment.

Information about business segments :
for the year ending as on 31st March 2021

(Rs. In lacs)

Particulars	Automobile		Others		Total	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Segment Revenue :						
External sales/income (Net)	12724.01	21878.65	781.01	893.81	13505.02	22772.46
Other receipt	34.62	104.53	0.00	0.00	34.62	104.53
Total Revenue	**12758.63**	**21983.18**	**781.01**	**893.81**	**13539.64**	**22876.99**
Segment Results :						
Segments results	210.66	535.76	15.89	12.46	226.55	548.22
Operation profit before Interest	210.66	535.76	15.89	12.46	226.55	548.22
Financial exp.	(128.42)	(435.46)	0.00	0.00	(128.42)	(435.46)
Exceptional Item	0.00	0.00			0.00	0.00
Income tax current/Earlier Year	(37.58)	(24.20)	0.00	0.00	(37.58)	(24.20)
Deferred tax Liability	2.61	(0.15)	0.00	0.00	2.61	(0.15)
OCI (Net)	(18.84)	7.05	0.00	0.00	(18.84)	7.05
Net Profit	**28.43**	**83.00**	**15.89**	**12.46**	**44.32**	**95.46**
Other Information :						
Segment Assets	6117.37	3239.34	151.34	125.47	6268.71	3364.81
Total Assets	**6117.37**	**3239.34**	**151.34**	**125.47**	**6268.71**	**3364.81**
Segmets Liabilities :						
Share Capital	100.00	100.00	0.00	0.00	100.00	100.00
Reserve & Surplus	681.94	653.52	141.20	125.30	823.14	778.82
Secured & Unsecured Loan (including current maturity)	3208.89	2041.44	0.00	0.00	3208.89	2041.44
Segment liabilities	2126.53	444.37	10.14	0.17	2136.68	444.54
Total Liabilities	**6117.37**	**3239.33**	**151.34**	**125.47**	**6268.71**	**3364.80**
Capital Expenditure	0.00	12.53	0.00	0.00	0.00	12.53

Depreciation	63.12	94.18	0.00	0.00	63.12	94.18

36. Retirement and other employee benefits:

(a) Defined contribution plans

The Company operates defined contribution retirement benefit plan for all qualifying employees. Company directly contribute to the provident fund and having no obligation for further contribution:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Provident Fund	21.28	30.44
Contribution Employee State Insurance	5.53	8.80

(b) Defined Benefit Plans

Gratuity

Gratuity is payable to all eligible employees of the company on retirement, death, permanent disablement and resignation in terms of the provision of the Payment of Gratuity Act, 1972. The benefits would be paid at the time of separation.

The following tables summarizes the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as at March 31, 2021 and March 31, 2020, being the respective measurement dates:

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
a	**Changes in present value of defined benefit obligations**		
	Present value of defined benefit obligation at the beginning of the Year	84.00	74.85
	Current Service Cost	13.11	14.50
	Interest Cost	5.88	5.61
	Actuarial changes arising from change in financial assumptions	28.28	(9.13)
	Actuarial changes arising from change in experience adjustments	0.00	0.00
	Benefits paid	0.00	(1.83)
	Present value of defined benefit obligation at the end of the Year **(Total)**	**131.27**	**84.00**
b	**Changes in fair value of Plan Assets:**		
	Fair value of Plan Assets as at beginning of the Year	99.32	91.37
	Interest Income	6.14	7.13
	Employer Contribution	0.00	2.65
	Return on plan assets excluding interest income (Fund Management Charges)	0.00	0.00
	Benefits paid	0.00	(1.83)
	Fair value of plan Assets as at end of the Year	105.46	99.32

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
c	**Net asset / (liability) recognised in the balance sheet**		
	Present value of defined benefit obligation at the end of the Year	131.27	84.00
	Fair value of plan Assets as at end of the Year	105.46	99.32
	Amount recognised in the Balance Sheet	-	15.32

	Net (liability) / assets - Current	(25.81)	15.32
	Net (liability) / assets - Non - current	0.00	0.00
d	**Expenses recognised in the Statement of Profit and Loss for the year**		
	Current Service Cost	13.11	14.50
	Interest Cost on benefit obligation includes Expected return on plan assets (net)	(0.26)	(1.53)
	Actuarial (gain)/ Loss	28.28	(9.13)
	Total expenses	41.13	3.83

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
e	**Recognized in other comprehensive income for the year**		
	Actuarial changes arising from change in financial assumptions	28.28	(9.13)
	Actuarial changes arising from change in experience adjustments	0.00	0.00
	Return on plan assets excluding interest income	0.00	0.00
	Recognized in other comprehensive income	28.28	(9.13)

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
1	**Principal Actuarial Assumptions used as at the Balance Sheet date :**		
	Discount Rate	7.00%	7.00%
	Expected Rate of Return on Plan Assets		
	Salary Escalation Rate	7.00%	7.00%

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. The above information is certified by the Actuary.

Investment risk The liability is funded with LIC as valued by actuarial valuer of LIC.

Interest risk The rate used to discount post employment benefit obligation should be determined by reference to market yields at the balance sheet date on Government bonds. The currency and term of government bonds should be in consistent with the currency and estimated term of post employment benefit obligation. .

Salary risk: Salary increase should take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
No other post-retirement benefits are provided to these employees.

37. Financial instruments

37.1 Capital risk management

The Company being in a trading industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its trading business, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.
The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious

allocation amongst trading business projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(Rs. In Lacs)

Particulars	As at 31st March 2021	As at 31st March 2020
Long term borrowings	613.54	683.10
Current maturities of long term debt	8.99	12.06
Short term borrowings	2586.36	1358.34
Total	3208.89	2053.50
Less: cash and cash equivalent	924.59	72.14
Less: bank balances other than cash and cash equivalent	0.00	0.00
Net debt	2284.30	1981.36
Total equity	923.14	878.86
Gearing ratio	2.47	2.25

Note 1. Equity includes all reserves of the company that are managed as capital.
2. Debt is defined as long and short term borrowings.

37.2 Categories of financial instruments

Rs. In lacs

Particulars	**31.03.2021**		**31.03.2020**	
	Carrying values	**Fair value**	**Carrying values**	**Fair value**
Financial assets				
Measured at amortised cost				
Loans (Non Current)	0.00	0.00	0.00	0.00
Loans (Current)	0.00	0.00	0.00	0.00
Other financial assets(Non current)	9.47	9.47	38.42	38.42
Trade receivables	1373.57	1373.57	1336.10	1336.10
Cash and cash equivalents	924.59	924.59	72.14	72.14
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Non-curent Investments (NSC)	0.03	0.03	0.03	0.03
Other Fiancial Assets (Current)	0.00	0.00	1.44	1.44
Total financial assets at amortised cost (A)	**2307.66**	**2307.66**	**1448.13**	**1448.13**
Financial assets				
Measured at fair value through other comprehensive income	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Financial assets	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Measured at fair value through profit and loss	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Total financial assets at fair value through profit and loss (C)				
Total financial assets (A+B+C)	**2307.66**	**2307.66**	**1448.13**	**1448.13**
Financial Liabilities				
Measured at amortised cost				
Long term Borrowings*	622.53	622.53	695.16	695.16
Short term Borrowings	2586.36	2586.36	1358.34	1358.34
Trade Payables	1970.23	1970.23	224.24	224.24
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00

Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities at amortised cost	**5179.12**	**5179.12**	**2277.74**	**2277.74**

* Including Current Maturity of Long Term Debt.

37.3 Financial Risk Management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.
The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

37.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the Government policies . The Company is exposed in the ordinary course of its business to risks related to changes in interest rates, commodity price.

37.5 Foreign currency risk management

The company does not have and foreign currency transactions so there is no need manage risk associated with foreign currency. Hence no disclosure required.

37.6 Commodity price risk -:

The Company's revenue is exposed to the market risk of price fluctuations due to government policies or rules, other factors of demand and supply and regional economic conditions.

37.7 Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.
Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables:

The company's customer profile are corporate as well as large individuals. Accordingly company's customer risk is low. The sales are mostly in cash and credit to customer is around 30 days credit.
The history of trade receivables shows a negligible allowance for bad and doubtful debts.

37.8 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in with amix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates.

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	88.56	53.87
Floating rate borrowings	2586.36	1358.34
Total borrowings	2674.92	1412.21

37.9 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Rs. In lacs

Particulars	**31.03.2021**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-current Investments			424.21	424.21
Loans (Non current)				0.00
Loans (current)				0.00
Trade receivables	1373.57	0.00	0.00	1373.57
Cash and cash equivalents	924.59	0.00	0.00	924.59
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets (Non current)	0.00	9.47	0.00	9.47
Other financial assets (current)	0.00	0.00	0.00	0.00
Total financial assets	**2298.16**	**9.47**	**424.21**	**2731.84**
Financial Liabilities				
Long term Borrowings	8.99	613.54	0.00	622.53
Short term Borrowings	2586.36	0.00	0.00	2586.36
Trade Payables	1970.23	0.00	0.00	1970.23
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities	**4565.58**	**613.54**	**0.00**	**5179.12**

Rs. In lacs

Particulars	**31.03.2020**			
	<1 year	**1-5year**	**>5year**	**Total**

Financial assets				
Non-current Investments			433.71	433.71
Loans (Non current)				0.00
Loans (current)				0.00
Trade receivables	1336.10	0.00	0.00	1336.10
Cash and cash equivalents	72.14	0.00	0.00	72.14
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets (Non Current)	0.00	38.42	0.00	38.42
Other financial assets (Current)	1.44	0.00	0.00	1.44
Total financial assets	**1409.68**	**38.42**	**433.71**	**1881.81**
Financial Liabilities				
Long term Borrowings	12.06	683.10	0.00	695.16
Short term Borrowings	1358.34	0.00	0.00	1358.34
Trade Payables	224.24	0.00	0.00	224.24
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current)	0.00	0.00	0.00	0.00
Total financial Liabilities	**1594.64**	**683.10**	**0.00**	**2277.74**

Collateral

The Company has mortgaged/ hypothecated of its Intangible assets, trade receivables, cash and cash equivalents (details as specified in note no. 21 and 22) in order to fulfill certain collateral requirements for the banking/ Other Financial Institutions (NBFC) facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

38. Level wise disclosure of financial instruments

Particulars	As at 31st March 2021	As at 31st March 2020	Level	Valuation techniques and key inputs
Long term Borrowings				
Carrying value	622.53	695.16	2	Discounted cash flow – observable future cash flows are based on terms discounted at a rate that reflects market risks.
Fair value	622.53	695.16	2	

* including current maturity

There is no instruments like preference shares measured at fair value using level iii technique so no sensitivity analysis and reconciliation are not given

39. CONTINGENT LIABILITIES AND COMMITMENTS

(RS. IN LACS)

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
i)	Outstanding bank guarantee *	0.00	20.00

ii)	Other Claims against the Company not acknowledged a debt relating to supplies and service matters	210.42	210.67
iii)	Show cause/demand/notices by excise deptt., service tax, income tax authorities being disputed by the company. (net demand)	1307.18	1307.18

Based on favorable decisions in similar cases, legal opinion taken by the company., discussions with the solicitors, etc., the company believes that there is fair chance of decisions in its favors in respect of all the items listed in (ii) above and hence no provisions is considered necessary against the same.

40. Related Party disclosure under Accounting Standard IND AS-24 "Related party disclosures" notified under Companies (Accounting standard) Rules 2006.

During the year, the company entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2021 and for the year ended are presented below.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows: List of related parties and relationship**:**

Name of the related party	Relationship	% of holding	Incorporated in
Subsidiaries/Associate			
Ganganagar Vehicles Priavte Limited	Assocoiate Company w.e.f 30th October 2020	49.90%	India
Enterprises controlled or are under same management with reporting enterprise			
Ganganagar Automobiles Private Limited			
Argent Leasing and Finance Limited			
Kota Trucks Private Limited			
Key Management personnel			
Shankar Lal Agarwal	Managing Director		
Shankar Agarwal HUF	Director's HUF		
Sourabh Agarwal	Whole Time Director		
Sourabh Agarwal HUF	Director's HUF		
Manushree Agarwal	Director		
Nikita	Company Secratory w.e.f. 14.02.2021		
Chandani Arora	Company Secratory til August 2020		
Relatives of Key management persons			
Smt. Maya Agarwal			

b) **<u>Transactions with related parties:</u>** **(Rs. In Lacs)**

S.N.	Name	Nature of Transaction	2020-21	2019-20
1	Ganganagar Vehicles Private Limited	Opening Balance Dr.		0.00
		Shares Opening Balance	408.68	408.68
		Transaction		
		Purchase	763.90	2070.10
		Intt. Received	0.00	0.00
		Investment Sale	9.50	0.00
		Sale	611.59	1458.61
		Shares closing Balance	399.18	408.68
		Outstanding at the year end	0.00	0.00
2	Ganganagar Automobile Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	25.00	25.00
		Shares closing Balance	25.00	25.00
3	Argent Leasing & Finance Ltd.(NBFC)	Opening Balance Cr.	24.66	24.66
		Payment	4.00	0.00
		Interest Paid	1.23	0.00
		TDS Deducted	0.09	0.00
		Outstanding Balance(Cr.)	21.79	24.66
4	M/s Kota Trucks Pvt. Ltd.	Opening Balance(Dr.)	0.00	0.00
		Transaction During the year		
		Rent (Received)	5.84	23.36
		Purchases	45.80	36.25
		Sales	54.77	64.48
		Outstanding at the year end (Dr.)	0.00	0.00
5	Shankar Lal Agarwal	Opening Balance (Cr.)	0.00	0.00
		Director Remuneration	2.25	4.20
		Loan Received	143.00	51.80
		Amount Repaid	75.00	51.80
		Interest (less TDS)	3.08	
		Outstanding at the year end	71.08	0.00
6	Shankar Lal Agarwal HUF	Opening Balance (Cr.)	176.00	0.00
		Loan Received	0.00	176.00
		Interest (less TDS)	8.14	0.00
		Outstanding at the year end	184.14	176.00
7	Sourabh Agarwal	Opening Balance (Cr.)	62.00	56.60
		Rent Paid	6.00	3.60
		Director Remuneration	3.00	6.00
		Amount Received	15.00	108.45
		Interest Paid (less TDS)	2.26	0.00
		Amount Paid (Loan Repayment)	44.16	103.05
		Loan account cr. Balance	35.10	62.00
8	Vikramjit Singh(CS)	Opening	0.00	0.37
		Salary Paid	0.00	2.63
		TDS Deducted	0.00	0.00
		Outstanding at the year end	0.00	0.00
9	Sourabh Agarwal HUF	Opening Balance (Cr.)	49.75	0.00
		Interest (less TDS)	2.30	49.75
		Outstanding at the year end	52.05	49.75

10	Manushree Agarwal	Opening Balance (Cr.)	0.00	0.00
		Loan Received	7.60	0.00
		Loan Repayment	7.60	0.00
11	Chandni Arora(CS)	Opening	0.32	0.00
		Salary Paid	1.28	1.37
		Outstanding at the year end	0.00	0.32
12	Nikita (CS)	Opening	0.00	0.00
		Salary Paid	0.33	0.00
		Outstanding at the year end	0.22	0.00
(V)Relatives to the Key Management:				
1	Smt. Mala Agarwal	Opening	0.00	0.00
		Opening Balance (Sec. Deposit)	0.00	0.05
		Rent during the year	0.60	0.12
		Amount Paid	0.60	0.12

Note: The transaction relating to reimbursement of actual expenses to/from related parties have not been considered above below.

41. Details of dues to Micro Small and medium enterprises as per MSMED Act. 2006 as identified by the company.

(Rs. In lacs)

Particulars	**2021**	**2020**
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year	-	-
The interest due an unpaid principal amount remaining as at the end of the each accounting year		-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006	-	-

42. Earning per Shares (E.P.S.)

S. No.	**Particulars**	**2021**	**2020**
i)	Calculation of weighted average number of face value of equity shares of Rs. 10 each		

	No. of shares at the beginning of the year.	1000000	1000000
	Total equity shares outstanding at the end of the year	1000000	1000000
	Weighted average no of equity shares outstanding during the year.	1000000	1000000
ii)	Net Profit after Tax available for equity shares holders (Rs.)	4432325	9545411
iii)	Basic and diluted earning per shares (Rs.)	4.43	9.55
iv)	Nominal value of equity shares (Rs.)	10	10

43. Loans and advances include following amounts due from associate w.e.f. 30th October 2020/subsidiary (Amount in Lakhs)

Name of The Party	Amount outstanding as at year end		Maximum Amount outstanding during the year	
	2021	2020	2021	2020
Ganganagar Vehicles Private Ltd.	0.00	0.00	1241.00	1718.00

44. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. The company has voluntarily surrendered its NBFC status to the RBI vide company letter dated 28.06.2019 and continued to running its normal business activities i.e. trading in Commercial Vehicle and Petroleum dealership of BPCL. Pursuant to this the Company has prepared its financial statement as per Ind AS. The same is not affecting the business activity of the company in any manner including going concern concept. However pursuant to RBI directions through email dated 18 December 2020 requiring Company to hold the status of NBFC till the application for surrender of Certificate of Registeration (COR) is accepted and taken on records of RBI, Company resolved to continue with the earlier status of NBFC with effect from 29 December 2020, but the Company is non operational in the business of NBFC.

45. Impact assessment of the global health pandemic- COVID-19

The impact of Covid -19 pandemic was felt across the economy and business segments. Consequent to significant opening up of the economic activity in the country, the demand for the company's products has improved compared to that during the initial phases of Covid-19 including the lock down period. All the business segments of the Company have substantially recovered as at year end. In preparation of these financial statements, the Company has taken into account both the current situation and likely future developments.

46. The dues outstanding in respect of Income Tax and VAT on account of disputes are as under:

Name of the Statute	Nature of Dues	Demand (Rs. In Lakhs)	Amount paid against demand (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax Act, 1961	Income Tax	3.06	2.29	FY 2017-18	CIT(A)
RVAT Act	Sales Tax (Interest and ITC Reversal)	652.57	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax (Interest and ITC	647.81	38.79	FY 2013-14	Commissioner (A)

	Reversal)				

47. Other Additional information.

a. i. The details of Trading goods opening, purchases, sales and closing stock are given as under.

Particulars	**2021**		**2020**	
	Qty/No/Ltr	**Amt (Rs.)**	**Qty/No/Ltr**	**Amt (Rs.)**
Opening Stock				
Comm. Vehicle	3	7799282	139	307323862
Three Wheelers	139	19383860	142	18101115
MS	12389	874641	12079	841104
HSD	36604	2404059	23893	1584907
Purchases				
Comm. Vehicle	481	1267111325	688	1392952637
Three Wheelers	15	2543646	1617	209737818
MS	96837	8238750	122858	8832696
HSD	864862	68223798	1164866	78691798
Sales				
Comm. Vehicle	403	1092374987	824	1887822196
Three Wheelers	154	22674978	1620	238666836
MS	96836	8547945	121209	9107541
HSD	860088	69504784	1150383	80230460
Closing Stock				
Comm. Vehicle	81	221813326	3	7799282
Three Wheelers	0	0	139	19383860
MS	11361	1051741	12389	874641
HSD	40080	3479469	36604	2404059
Shortage				
MS	1029		1339	
HSD	1298		1772	

b. (Rs. in Lacs)

S. No.	**Particulars**	**2021**	**2020**
I	C.I.F. Value of Imports	0	0
	Raw Material	0	0
	Stores & Spares	0	0
	Machinery	0	0
ii)	EXPENDITURE IN FOREIGN CURRENCY (PAID OR PROVIDED) INCLUDING OVERSEAS BRANCHES	0	0
iii)	Income in Foreign Currency	0	0
iv)	Net dividend remitted in foreign currency/foreign intuitional investors	0	0
	No. of NRI share holders	0	0
	No of shares held by them	0	0
	Dividend paid (Rs. In lacs)	0	0

	Year to which dividend relates	NA	NA

iv) VALUE OF RAW MATERIAL & STORES AND COMPONENTS CONSUMED:

(Rs. In Lacs)

Particulars	2021	%	2020	%
Raw Material	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total :-	0	0	0	0
Stores & Spares	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total	0	0	0	0

48. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

SIGNED FOR IDENTIFICATION

For **M. C. BHANDARI & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.303002E)

CA S.K. MAHIPAL
PARTNER
M.N.:70366

PLACE: Delhi
DATE : 29.06.2021

For and behalf of board of director of **KALYANI COMMERCIALS LTD.**

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

Nikita
CS
M.No.: A-64384

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2021 AND STATEMENT OF PROFIT AND LOSS AND ALSO THE CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE

Note - 1

1 Company Overview:

Kalyani Commercials Limited (Company) is a public limited company registered under Companies Act, 1956, listed in Bombay Stock Exchange. The registered office of the company is situated BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi, 110042.

The company dealing in trading of Heavy Commercial Vehicle, Three Wheeler and servicing (Dealership of TATA and BAJAJ), Petroleum Product (Dealership of Bharat Petroleum Limited). The company has voluntarily surrendered its NBFC status to the RBI vide company letter dated 28.06.2019 and continued to running its normal business activities.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS)prescribed under the section 133 of the Companies Act,2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 29.06.2021

2.2 Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2021, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 3. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, investment in subsidiaries/associate. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements.

2.4 Basis of classifications of current and non current

All the assets and liabilities have been classified as current or non-current in the balance sheet, An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as no-current assets/ liabilities.

2.5 Revenue Recognition

A. In case of sale of goods performance obligation is satisfied when control is transferred to customer and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

B. In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

The company accounts for discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Goods and Service Tax (GST) is not received by the company on its own account. Rather it is tax collected on value added to the goods/ services by the seller on behalf of the Government. Accordingly, it is excluded from revenue. However such tax expenses is included in cost where Company is not availing tax credit of the same.

C Interest Income:-

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.6 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. The Company has taken discount rate @12%.

Accounting policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.
For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.7 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

2.8 Retirement and other employee benefits:

Defined Contribution plans

Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

(a) Provident fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Pension Fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Defined Benefit Obligation Plans

Gratuity

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

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Kalyani Commercial Limited Employees' Gratuity Fund Trust ("the Trust"). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian law

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

The Company has a policy on compensated absences which are non-accumulating in nature.

2.9 TAXATION:

Tax expense comprises of current tax, deferred tax and Dividend Tax which are described as follows -:

(a) Current Tax

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period. Current Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

Deferred tax asset and deferred tax liabilities are off-set if a legally enforceable right exist to set-off current tax asset against current tax liabilities and the deferred taxes relates to the same taxable entity and the same taxation authority.

2.10 Property, Plant and Equipment

PROPERTY, PLANT & EQUIPMENT is recognized when it is probable that future economic benefits associated with the items will flow to the company and the cost of the item can be measured reliably.

PROPERTY, PLANT & EQUIPMENTS are stated at cost net of Cenvat less accumulated depreciation and impairment losses, if any. Cost of acquisition is inclusive of freight, duties, attributable overheads, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets.

Assets in the course of construction are capitalized in the assets under construction account. At the point when the asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of the PROPERTY, PLANT & EQUIPMENT and depreciation commences.

Free hold land is carried at historical cost.

Leasehold land is not amortized as all leasehold land is on 99 years lease with local authority and such leasehold land is outside the scope of Ind AS-16.

All other items of property plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in assets carrying amount or recognized as a separate asset, as the case may be, only when it is probable that future economic benefits with the PROPERTY, PLANT & EQUIPMENT will flow to the entity and cost of the item will be measured reliably.

Carrying amount of component is recognized as a separate asset. Such component is derecognized when replaced.
Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories.

Repairs and maintenance are charged to profit and loss account as and when they are incurred.

An items of PROPERTY, PLANT & EQUIPMENT is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PROPERTY, PLANT & EQUIPMENT is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit & loss.

Depreciation and estimates

- Depreciation is calculated using written down value method to allocate their cost, net off there residual value.
- The useful life of asset has been taken as specified in schedule II of Companies Act, 2013.
- The residual value is not more than 5% of asset.
- The residual value is taken after considering the restoration cost.
- The assets' residual values and useful lives of the assets are reviewed and adjusted if appropriate at the end of each reporting period.

Class of Assets	Years
Building	15 to 50 years
Plant & Machinary	3 to 15 years
Furniture & Fixtures	3 to 10 years
Vehicles	4 to 5 years
Office Equipments	3 to 10 years

2.11 Intangible Assets (Software)

Intangible assets (which comprises of software acquired) and depreciation /amortization on WDV method as per Companies Act 2013 and impairment losses if any.

Amortization is recognized on a written down value basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.12 Capital Work in Progress

Capital work in progress are stated at cost and inclusive of preoperative expenses, project development expenses etc.

2.13 Impairment of Property, Plant & Equipments and Intangible Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.

However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.14 INVENTORIES

Inventories are valued as follows:-

A.	(a)	Trading Goods (Including Spare parts)	At Cost or net realizable value, whichever is lower. Cost for this purpose includes direct material cost plus appropriate share of overhead.

Cost of Inventories are determined on FIFO basis. Net realizable value is estimated as selling price in the ordinary course of business.

2.15 Provisions, contingent liabilities & Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settled the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not disclosed to its present value and are determined based on best management 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.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Other contingent liabilities and assets are not recognized but are disclosed in the notes..

2.16 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

2.17.1 Financial assets

Initial recognition and measurement

The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification of financial assets
On initial recognition, a financial asset is classified to be measured at amortised cost, fair valuethrough other comprehensive income (FVTOCI) or FVTPL.

Subsequent measurement

Debt Instruments-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Investment in subsidiary/associate

Investment in subsidiary/associate is carried at deemed cost in the separate financial statements. In the consolidation

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:
- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried atamortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

2.17.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Company chooses to subsequently measure it loans and borrowings at amortized cost using the interest rate mentioned in loan agreement of loans taken.

Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.18 Fair Value Measurement

The Company measures financial instruments, such as, equity instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis ofthe nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.19 Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker review the performance of the Company according to the nature of products manufactured traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of segments is based on the activities performed by each segment.

2.20 Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

2.21 Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.22 Dividend to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.23 Earnings per Share

a) **Basic EPS :** Basic EPS is calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during financial year adjusted for bonus elements in the equity shares issued during the year.

b) **Diluted EPS :** Diluted EPS adjusts the figures used in the determination of basic EPS to take into account:

The after income tax effect of interest and other financing costs associated with the dilutive potential equity share and

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential shares

3. Critical judgments and estimates

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires the management to make judgment, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and Liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable
- Estimated useful life of Property Plant and equipment
- Estimated Useful life of intangible assets
- Estimation for the value of contingent liabilities
- Recognition of revenue

Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of property plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

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

v) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KALYANI COMMERCIALS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **KALYANI COMMERCIALS LIMITED** (the "Company") and its subsidiary, (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Company Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Company (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

1. The Holding Company among the Group was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. During the year 2019-20 the company has voluntarily surrendered its NBFC status to the RBI and continued to running its normal business activities i.e. trading in Commercial Vehicle and Petroleum dealership of BPCL.

   Our opinion is not modified in respect of this matter.

Other Matters

1. We did not audit the separate financial statements of one subsidiary (till 30.10.2020 and later associate) included in these consolidated financial statements. Financial statements of this Subsidiary reflect Net Profit of Rs. 132.32 Lacs for the period ended till 30.10.2020 which is included in profit of Rs. 193.60 Lacs reflected in consolidated Profit and Loss Account, as considered in these Consolidated financial statements.

Our opinion in so far as it relates to the amounts and disclosures in respect of these subsidiary is solely based on report of the other auditors. Our opinion is not qualified in respect of this matter.

2. The Company Ganganagar Vehicles Private Limited ceased to be the Subsidiary of the Company w.e.f. October 30, 2020 and continue as associate with share holding of 49.90%. While preparing the consolidated financial results of the Group, the management has consolidated results of the subsidiary till the date of cessation on time proportionate basis for the 3rd Quarter. Also, the profit of Associate for the period from 31.10.2020 to 31.03.2021 has been include in financial result on the basis of percentage of holding in associate which amounts to Rs. 51.61 Lacs.
   Our opinion is not modified in respect of this matter.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	AUDITORS' RESPONSE
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances	**Principal Audit Procedures** We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry, observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information of management controls relating to sales and

	service and other related information used in recording and disclosing revenue in accordance with the revenue accounting standard.

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

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

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

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

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

Management's Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the company included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the company included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary company which are company incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern.
  If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Boards of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those company.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Company and its Subsidiary company incorporated in India did not have any long term contract including derivative contract for which there were any material foreseeable losses.

iii. There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary company incorporated in India .

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

Place: Delhi
Dated: 29.06.2021
UDIN: 21070366AAAAAR1337c

CA. S.K. Mahipal
Partner
Membership No. 070366

M.C. Bhandari & Co. **Mobile No.: 9414189339**
Chartered Accountants
38, Shopping Centre,
Kota – 324007 (Raj.)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KALYANI COMMERCIALS LIMITED of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **KALYANI COMMERCIALS LIMITED** (hereinafter referred to as the "Company") and its subsidiary company, which are company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Boards of Directors of the Company and its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 (the "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 the respective 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 Act.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company, which are company incorporated in India.

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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting criteria established by the respective 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 ICAI.

For M.C. Bhandari & Co.
Chartered Accountants
Firm Registration No.: 303002E

CA. S.K. Mahipal
Partner
Membership No. 070366

Place: Delhi
Dated: 29.06.2021
UDIN: 21070366AAAAAR1337c

KALYANI COMMERCIALS LIMITED
Balance Sheet as at 31st March 2021

Amount in Rs.

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	4,33,75,655.60	4,78,69,557.50
(b) Investment property	5	14,26,236.29	15,43,482.62
(c) Right to use assets	6	-	63,99,734.00
(d) Intangible assets	7	55,040.86	78,976.65
(e) Financial assets			
(i) Investments	8	4,24,20,830.00	4,33,70,830.00
(ii) Other financial assets	9	9,46,552.85	38,41,697.85
(f) Current tax assets	10	9,86,543.67	11,32,301.67
(g) Defferred tax assets (Net)	11	25,99,885.00	13,94,381.00
(h) Other non-current assets		-	-
Total non-current assets		9,18,10,744.27	10,56,30,961.29
Current assets			
(a) Inventories	12	24,96,08,188.97	7,20,88,289.59
(b) Financial assets			
(i) Investments			
(ii) Trade receivables	13	13,73,56,791.77	13,36,09,978.07
(iii) Cash and cash equivalents	14	9,24,59,353.88	72,14,244.28
(iv) Bank balances other than (iii) above	15	-	-
(v) Other Financial assets	16	-	1,43,863.00
(c) Current Tax assets	17	-	2,08,144.74
(d) Other current assets	18	5,56,36,196.56	1,75,85,093.48
Total current assets		53,50,60,531.18	23,08,49,613.16
Total assets		62,68,71,275.45	33,64,80,574.45
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	1,00,00,000.00	1,00,00,000.00
(b) Other equity	20	8,23,14,126.02	7,78,81,800.97
Total equity		9,23,14,126.02	8,78,81,800.97
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	6	-	25,08,037.00
(ii) Borrowings	21	6,13,53,704.37	6,83,10,064.74
Total non-current liabilities		6,13,53,704.37	7,08,18,101.74
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	25,86,35,875.42	13,58,33,774.78
(ii) Trade payables	23	19,70,22,671.32	2,24,23,862.20
(iiii) Lease Liabilities	6	-	42,19,695.00
(iv) Other financial liabilities	24	8,98,810.74	12,05,867.18
(b) Other current liabilities	25	1,56,28,273.80	1,40,97,472.58
(c) Provisions	26	10,17,813.69	-
Total current liabilities		47,32,03,444.97	17,77,80,671.74
Total liabilities		53,45,57,149.34	24,85,98,773.48
Total equity and liabilities		62,68,71,275.36	33,64,80,574.45

See accompanying notes to the Standalone Financial Statements

Signed in terms of our report of even date annexed

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

S K Mahipal

Partner
M.No 070366

Nikita
CS
M. No. A-64384

Place : Delhi
Dated: 29.06.2021

KALYANI COMMERCIALS LIMITED

Consolidated Statement of Profit and loss for the year ended on 31st March, 2021

(In Rs.)

Particulars	**Note No**	**2020-21**	**2019-20**
I Revenue from operations	29	2,27,37,02,821.53	6,40,68,29,249.41
II Other Income	30	33,95,072.09	1,45,82,053.24
III Total Income		**2,27,70,97,893.62**	**6,42,14,11,302.65**
IV Expenses:			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	31	-35,55,58,111.74	71,87,51,249.36
Purchase of Stock in Trade	32	2,42,71,99,859.21	5,22,57,48,169.48
Employee benefit expense	33	6,30,67,773.33	14,61,83,105.02
Financial costs	34	3,10,41,752.33	12,93,02,202.61
Depreciation and amortization expense	35	2,43,39,181.32	4,72,66,367.63
Other expenses	36	6,22,09,287.01	14,28,02,890.42
Total Expenses		**2,25,22,99,741.47**	**6,41,00,53,984.52**
V Profit before exceptional items and tax (III-IV)		2,47,98,152.15	1,13,57,318.13
VI Exceptional item		0.00	0.00
VII Profit/(loss) before tax (V-VI)		2,47,98,152.15	1,13,57,318.13
		0.00	
VIII Tax expense/ benefits		0.00	
(1) Current Income Tax		53,81,611.96	49,58,000.00
(2) Deferred tax (Assets)Liability		-2,61,466.00	-4,64,882.00
(3) Income Tax Expenses Earlier Years		3,17,556.21	12,241.00
IX Profit/(Loss) for the year after tax		**1,93,60,449.98**	**68,51,959.13**
X Profit/(Loss) from the discontinuing operation		0.00	0.00
Profit/(Loss) from the discontinuing (fixed assets)		0.00	0.00
Tax expenses/(credit) of discontinuing operation		0.00	0.00
Profit/(Loss) from the discontinuing operation (after tax)		0.00	0.00
XI Profit for the year		1,93,60,449.98	68,51,959.13
XII Share of Profit/(Loss) from Associate		51,61,184.66	0.00
XIII Total Profit for the period		2,45,21,634.64	68,51,959.13
XIV Other Comprehensive Income		0.00	
A i) Items that will not be reclassified to profit or loss		0.00	
a) Re-measurements of the defined benefit plans		-28,28,156.00	9,13,784.00
b) Equity instruments through Other comprehensive income		0.00	0.00
ii) Income tax relating to items that will not be reclassified to profit or loss		9,44,038.00	-2,09,074.00
Total (A)		-18,84,118.00	7,04,710.00
B i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		0.00	0.00
(b) Changes in Foreign Currency Monetary Item translation difference account(FCMITDA)		0.00	0.00
ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
Total (B)		0.00	0.00
Total Other comprehensive income / (loss) (A+B)		-18,84,118.00	7,04,710.00
XV Total comprehensive income / (loss)		2,26,37,516.64	75,56,669.13
Profit Attributable			
a) Parent		1,61,64,469.85	85,29,561.72
b) Non Controlling Interest		64,73,046.79	-9,72,892.59
Earning per equity share:			
(1) Basic		16.16	8.53
(2) Diluted		16.16	8.53

Significant Accounting Policies and Notes to the financial statements 1&2

Signed in terms of our report of even date annexed

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

CA S K Mahipal
Partner
M.No 70366

Place : Delhi
Dated: 29.06.2021

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

Nikita
CS
M.No.:A64384

KALYANI COMMERCIALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2021

		For the year ended 31.03.2021 (Rupees)	For the year ended 31.03.2020 (Rupees)
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit	44,32,325	95,45,411
	Add: Deferred Tax expense	(12,05,504)	2,23,644
	Provision for Tax	37,57,556	24,20,241
	Exceptional Item	-	-
	Profit before tax & Exeptional Items Including OCI	69,84,377	1,21,89,296
	Adjustment for:		
	Depreciation and amortisation	63,12,234	94,18,632
	Interest Income	(8,76,441)	(8,02,867)
	Interest on Lease	(62,064)	(1,30,938)
	Contingent Provision against standard Assets	-	(4,541)
	Provision	-	(12,457)
	Interest Expense	1,20,52,013	4,15,30,573
	Interest on Lease Expense	3,40,600	10,08,741
	Gain on remeasurement of lease liability	(14,59,173)	
	Profit on sale of Investment	(95,000)	
	Profit on Sale of Fixed Assets	(58,267)	(71,74,603)
	Operating profit before working capital changes	2,31,38,279	5,60,21,837
	Adjustments for movement in working capital :		
	Adjustments for (increase) / decrease in operating assets:		
	Stock	(17,75,19,899)	29,44,08,833
	Trade receivables	(37,46,814)	16,87,47,483
	Other Current Assets	(3,78,44,959)	(1,19,34,556)
		(21,91,11,672)	45,12,21,760
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	17,45,98,809	(5,73,34,528)
	Other current liabilities	15,30,801	(86,91,610)
		17,61,29,610	(6,60,26,138)
	Direct taxes paid/deducted at source	(23,85,840)	(27,17,994)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**(2,22,29,623)**	**43,84,99,464**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Long-term loans and advances recovered		
	Short-term loans and advances recovered	-	19,80,750
	Decrease/(Increase) in other non current financial assets	28,95,145	(19,15,399)
	Decrease/(Increase) in other current financial assets	1,43,863	(1,37,107)
	Interest Received	8,76,441	8,02,867
	Purchase of fixed assets	-	(11,10,444)
	Sale of Investment	10,45,000	
	Sale of Fixed Assets	69,512	84,21,000
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**50,29,961**	**80,41,667**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Increase/(Decrease) in Short Term Borrowings	12,28,02,101	(42,37,15,636)
	Increase/(Decrease) in long term borrowings	(69,56,360)	1,96,58,924
	Interest Paid	(1,20,52,013)	(4,15,30,573)
	Lease Rent Payment	(10,41,900)	(38,14,650)
	Increase/(Decrease) in other financial liabilities	(3,07,056)	(55,41,630)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES	**10,24,44,771**	**(45,49,43,564)**
D	**Net Increase/(Decrease) in cash and cash equivalents** (A+B+C)	**8,52,45,110**	**(84,02,433)**
E	**Cash and cash equivalents as at the end of previous period**	72,14,245	1,56,16,678
F	**Cash and cash equivalents as at end of the year**	**9,24,59,354**	**72,14,245**

Note:

The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For M.C. Bhandari & Company
Firm`s Registration No. 303002E
Chartered Accountants

For and on behalf of Board of Directors
Kalyani Commercials Ltd.

S.L. Agarwal — M. Director — DIN: 01341113

Sourabh Agarwal — CFO — DIN: 02168346

S K Mahipal

Partner
M.No 70366

Nikita
CS
A-64384

Place : Delhi
Dated: 29.06.2021

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2021

A. Equity Share Capital **(In RS.)**

Particulars	As at 31.03.2020	Movement during the year 2021	As at 31.03.2021
Share Capital	1,00,00,000.00	-	1,00,00,000.00

B. Statement of changes in equity

Particulars	General Reserve	Statutory Reserve	Retained Earnings	OCI for Acturial loss	Total
Balance as on 31.03.2020	**3,27,097.00**	**-**	**7,72,04,631.18**	**16,51,637.00**	**7,91,83,365.18**
			-		-
Adjustment to Gratuity Plan				-	-
Profit for the year			1,80,48,587.85	(18,84,118.00)	1,61,64,469.85
Transfer to OCI	-	-	(7,04,710.00)	7,04,710.00	-
					-
Balance as on 31.03.2021	**3,27,097.00**	**-**	**9,45,48,509.03**	**4,72,229.00**	**9,53,47,835.03**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

4. Property Plant & Equipment

Particulars	Leasehold land	Commercial Land	Buildings and lease hold improvement	Plant and machinery	Electrical fittings	Office equipment	Furniture and fixtures	Computer	Vehicles	Tangibles Total
Cost/Deemed cost										
As at 31.03.2020	25,63,311.00	1,16,57,836.00	10,28,54,782.30	3,11,28,956.10	47,35,769.55	1,49,62,974.84	1,57,32,287.27	1,92,66,288.95	3,07,56,483.11	23,36,58,689.12
Addition				32,955.00			6,200.00	89,398.33	4,66,595.81	5,95,149.14
Deduction									2,24,907.00	2,24,907.00
Deduction due to sale of controlling interest*			4,40,42,104.00	**1,77,55,004.50**	**19,79,820.87**	67,18,442.55	56,67,371.00	90,54,786.44	2,21,25,064.81	10,73,42,594.17
As at 31.03.2021	**25,63,311.00**	**1,16,57,836.00**	**5,88,12,678.30**	**1,34,06,906.60**	**27,55,948.68**	**82,44,532.29**	**1,00,71,116.27**	**1,03,00,900.84**	**88,73,107.11**	**12,66,86,337.09**
Accumulated Depreciation and Impairment										
As at 31.03.2020	0.00	0.00	3,78,49,716.61	1,85,57,519.60	34,30,311.66	1,22,21,617.96	1,08,39,033.55	1,71,76,089.29	1,61,34,657.31	11,62,08,945.98
depreciation expenses			35,12,981.28	40,10,135.15	2,03,619.93	5,18,257.55	8,69,145.89	9,14,732.75	23,32,693.48	1,23,61,566.03
Deduction									2,13,662.00	2,13,662.00
Deduction due to sale of controlling interest*			48,88,329.93	1,12,02,973.43	10,55,920.82	50,03,616.76	30,21,027.45	83,76,978.26	1,14,97,321.87	4,50,46,168.52
As at 31.03.2021	**0.00**	**0.00**	**3,64,74,367.96**	**1,13,64,681.32**	**25,78,010.77**	**77,36,258.75**	**86,87,151.99**	**97,13,843.78**	**67,56,366.92**	**8,33,10,681.49**
Carryng Value										
As at 31.03.2021	25,63,311.00	1,16,57,836.00	2,23,38,310.34	20,42,225.28	1,77,937.91	5,08,273.54	13,83,964.28	5,87,057.06	21,16,740.19	**4,33,75,655.60**
As at 31.03.2020	25,63,311.00	1,16,57,836.00	6,50,05,065.69	1,25,71,436.50	13,05,457.89	27,41,356.88	48,93,253.72	20,90,199.66	1,46,21,825.80	11,74,49,743.14
useful Life of the Assets (Years)	60-99	30	15	10	10	3	6	(8-15)	3	
Method of depreciation	NA	WDV	WDV	WDV	WDV	WDV	WDV	WDV	WDV	

Notes

1 Certain Property, Plant and Equipment are mortgaged against borrowings

*2 Deduction due to sale of controlling interest in the subsidiary in Gross Block and Accumulated depreciation pertains to amount relating to Ganganagar Vehicle Private limited as on 30.10.2020, which is deducted as the Group has sold controlling interest in the subsidiary on such date.

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

AS AT 31st March, 2021

5. Investment property

Particulars	Leasehold land	Freehold Land	Buildings (Owned)	Tangibles Total
Cost/Deemed cost				
As at 31.03.2020	**316114.00**	**0.00**	**3295497.50**	**3611612.00**
Addition				0
Deduction				0
As at 30.09.2021	**316114.00**	**0.00**	**3295497.50**	**3611611.50**
Accumulated depreciation and impairment				
as at 31.03.2020	**0.00**		**2068129.00**	**2068129.00**
depreciation expenses			117246.33	117246.33
Deduction				0.00
as at 31.03.2021	**0.00**		**2185375.33**	**2185375.33**
Carrying Value				
As at 31.03.2021	316114.00	0.00	1110122.17	**1426236.17**
As at 31.03.2020	316114.00	0.00	1227368.50	**1543482.50**
useful Life of the Assets (Years)				
Method of depreciation				

Disclosure pursuant to Ind AS 40 “Investment Property”

a. Amount recognised in the Statement of Profit and Loss for Investment Property.

Rs. In Lacs

Particulars	**2020-21**	**2019-20**
Rental Income derived from investment property	4.95	19.80
(Exclusive of GST)		
Total	**4.95**	**19.80**

Note: Due to outbreak of Covid - 19 on the request of the tenant, the Company has waived rent of Rs. 14.85 Lacs for 9

b. Fair Market Value of Investment Property not done by the Company, therefor figures are not provided.

Particulars	**2020-21**	**2019-20**
A-165, IPIA, Kota		
Building A-165, IPIA, Kota		
Land and Building Sathoor, Bundi, Rajasthan		
Total	-	-

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

AS AT 31 st March, 2021

6. Right to use Assets

The changes in the carrying value of right of use assets for the year ended March 31, 2021 are as follows:

Particulars	Building (in Rs.)
Balance as on 31.03.2020	14,79,52,189.00
Less: Remeasurement	4,10,26,557.00
Less: Reversal on cancellation	42,20,986.00
Total	10,27,04,646.00
Depreciation	1,18,36,433.17
	9,08,68,212.83
Less: Deduction of net balance pertaining to subsidiary as on 30.10.2020 due to sale of controlling interest**	9,08,68,212.83
Balance as of 31.03.2021	**0.00**

*Remeasurement includes Rs. 405.36 Lacs relating to Subsidiaty

**Deduction due to sale of controlling interest in the subsidiary pertains to amount relating to Ganganagar Vehicle Private limited as on 30.10.2020, which is deducted as the Group has sold controlling interest in the subsidiary on such date.

The break-up of current and non-current lease liabilities as of March 31, 2021 is as follows:

Particulars	Amount
Current lease liabilities	0.00
Non-current lease liabilities	0.00
Total	**0.00**

The details regarding the contractual maturities of net investment in sublease of ROU asset as of March 31, 2021 on an undiscounted basis are as follows :

Particulars	Amount
Less than one year	0.00
One to five years	0.00
More than five years	
Total	**0.00**

7. Intangible Assets

Software	
Cost/Deemed cost	
As at 31.03.2020	**9,84,492.00**
Addition	0.00
Deduction	
As at 31.03.2021	**9,84,492.00**
Accumulated Amortization and impairment	
as at 31.03.2020	**9,05,515.35**
Amortization expenses	23,935.79
Deduction	
as at 31.03.2021	**9,29,451.14**
Carryng Value	
as at 31.03.2021	**55,040.86**
as at 31.03.2020	78,976.65
Useful Life of the assets (Range)	3
MethodOf Amortization	WDV

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31 st March, 2021

8. Investments (non current) In Rs.

Particular	Paid up value	No. of Shares	As at 31.03.2021	As at 31.03.2020
<u>Investment in equity investments</u>				
Ordinary Share (Fully paid up)				
(at cost or deemed cost)				
Investment in Associate				
Ganganagar Vehicles Private Limited*	10.00	39,91,783.00	5,29,51,539.01	-
<u>Others</u>				
Ganganagar Automobile Private Limited	10.00	2,50,000.00	25,00,000.00	25,00,000.00
				-
Investment in Government securities (unquoted)				
(At Amortized Cost)				
National Saving Certificate (Deposited with in Sales Tax Dept. interest is to be adjusted on realisation)			3,000.00	3,000.00
Grand Total			**5,54,54,539.01**	**25,03,000.00**
Quoted				
Aggregate book value			-	-
Aggregate market value			-	-
Unquoted				
Aggregated carrying value				
Investment at Deemed Cost/Cost			493.19	25.03
Investment at amortized Cost			-	-
Investment at Fair Value through other Comprehensive Income			-	-

*The company was previously consolidated as subsidiary, but the Group sold controlling interest in the Company on 30.10.2020 the Company remains associate to the Group, hence the investment is shown as associate.

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

9. Other financial Assets (Non Current) **(in Rs.)**

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
Security Deposits/ Earnest Money	9,46,552.85	1,12,95,338.85
Fixed Deposit with Banks	-	45,09,583.00
	9,46,552.85	**1,58,04,921.85**

Security Deposit with related party (interest free)

Name		
Mala Agarwal	-	5,000.00

10. current tax Assets (net)

Income Tax Paid (Net of Provision)	9,86,543.67	11,32,301.67
	9,86,543.67	**11,32,301.67**

11. Deferred Taxes Assets

Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

Particulars	**As at 31.03.2020**	**Arising During the Year**	**Arising During the Year through OCI**	**Deduction related to subsidiary as controlling interest is sold****	**As at 31.03.2021**
Deffered Tax Liability					
Right to Use	14,64,260.00	-14,64,260.00			-
Total	**14,64,260.00**	**-14,64,260.00**	**0.00**	**-**	**-**
Deffered Tax Assets					
Gratuity	(2,09,074.00)		9,44,038.00	-	7,34,964.00
Property Plant & Equipements & Others	31,62,108.00	3,36,511.00		(16,33,698.00)	18,64,921.00
Lease Liability	15,39,305.00	-15,39,305.00			-
Total	**44,92,339.00**	**-12,02,794.00**	**9,44,038.00**	**(16,33,698.00)**	**25,99,885.00**
Net deffered tax (Assets)/liability	**30,28,079.00**	**2,61,466.00**		**(16,33,698.00)**	**25,99,885.00**

*Impact of deferred tax assets/liability on Right of Use assets and lease liability is given at holding company. However the same was not considered by the subsidiary company. Hence, no deferred tax asset or liability created for Right of Use assetes and lease liability at subsidiary company in consolidated financial statements

**Deduction due to sale of controlling interest in the subsidiary pertains to amount relating to Ganganagar Vehicle Private limited as on 30.10.2020, which is deducted as the Group has sold controlling interest in the subsidiary on such date.

12. INVENTORIES (at lower of cost and net relisable value)

Trading Goods	55,59,75,091.69	20,04,16,979.95
Less: Closing stock of subsidiary as on 30.10.2020, as the Group has sold controlling interest*	(30,63,66,902.72)	
	24,96,08,188.97	**20,04,16,979.95**

Note:
Inventories have been hypothicated as security againest certain bank borrowings of the company

*Deduction due to sale of controlling interest in the subsidiary pertains to amount relating to Ganganagar Vehicle Private limited as on 30.10.2020, which is deducted as the Group has sold controlling interest in the subsidiary on such date.

Cost of inventory recognised as an expense

Particulars	**2020-21**	**2019-20**
Changes in inventories of Trading goods,	(35,55,58,111.74)	71,87,51,249.36
Stores and spares consumed	51,28,335.76	1,60,73,894.65
Power and fuel	43,79,242.82	79,96,257.48

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

13. Trade receivables (in Rs.)

Particulars	As at 31.03.2021	As at 31.03.2020
Outstanding for a period exceeding 6 months from the date they are due for payment		
Considered Good	27,51,990.54	50,24,577.69
Considerd Doubtfull	11,20,076.00	11,20,076.00
Other debtors		
Considered Good	13,46,04,801.23	33,63,03,937.45
	13,84,76,867.77	**34,24,48,591.14**
Provision for doubtful made	11,20,076.00	11,20,076.00
Total	**13,73,56,791.77**	**34,13,28,515.14**
Ageing of Receivables That are past due but not impaired		
Particulars		
<180 days	13,46,04,801.23	33,63,03,937.45
>180days	27,51,990.54	50,24,577.69
	13,73,56,791.77	**34,13,28,515.14**

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. There has been no significant change in the credit quality of receivables past due for more than 180 days.

Trade receivables have been given as Primery security towards borrowings

14. CASH AND CASH EQUIVALENTS		
Balances with Banks		
On Current Account	9,24,08,186.49	1,10,16,710.68
		-
Payu Money	-	5,25,512.00
Cash in Hand	51,167.39	43,76,759.99
	9,24,59,353.88	**1,59,18,982.67**
15. Bank Balances Other than cash and cash equivalents		
In term deposit account		
With maturity more than 3 months but less than 12 months at inception	-	-
With maturity more than 12 months at inception	-	45,09,583.00
	-	45,09,583.00
Amount disclosed under other Financial Assets (Non Current)	-	45,09,583.00
	-	**-**
Note		
Earmarked balance (In term deposit account)	-	45.10

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior

16. Loans (Current)		
(Unsecured, Considered good unless otherwise stated)		
Advances to others	-	3,18,90,624.09
	-	**3,18,90,624.09**
17. Other Financial Assets (current)		
Interest Accrued on Fixed Deposits	-	1,43,863.00
	-	**1,43,863.00**
18. Current tax Assets(Net)		
Income taxes paid (Net of Provision)	-	51,39,149.43
	-	**51,39,149.43**
19. Other Current assets		
Advances recoverable in cash or or in kind or for value to be received	17,22,686.76	5,01,60,569.22
Prepaid Expenses	2,09,041.00	16,69,629.45
Balance with revenue authorities etc.	5,28,33,209.80	1,86,06,899.07
Gratuity Fund Assets (net)	-	15,31,914.00
Advance to Staff	8,71,259.00	25,04,854.55
	5,56,36,196.56	**7,44,73,866.29**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

20. SHARE CAPITAL

Particulars	Figures as at 31.03.2021 (Rs.)	Figures as at 31.03.2020 (Rs.)
AUTHORISED		
40,00,000 Equity Share Of Rs.10/- each	4,00,00,000.00	4,00,00,000.00
ISSUED,SUBSCRIBED AND PAID UP		
10,00,000 Equity Share Of Rs.10/- each	1,00,00,000.00	1,00,00,000.00
Total	1,00,00,000.00	1,00,00,000.00

Notes:

1. Rights, preferences and restrictions attached to equity shares .The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2. Details of Share holders holding more than 5 % equity shares as at 31.03.2020 and 31.03.2021

	31.03.2021		31.03.2020	
Share Holder	No. of Share	Ownership Interest %	No. of Share	Ownership Interest %
Shankar Lal Agarwal	418000	41.80%	418000	0.42

As per the records of the company including its register of share holder/members and other declaration received from share holders regarding benificial interest , the above share holding represents both legal and benificial ownership of shares.

21. Other Equity

	Particulars	As at 31.03.2021	As at 31.03.2020
1	**Retained earnings**	9,45,48,509.03	7,72,04,631.18
2	**Other comprehensive income**		
	Re measurments of the net defined benefit plans	4,72,229.00	16,51,637.00
		-	-
3	**Other reserve**		
	General Reserve	3,27,097.00	3,27,097.00
	TOTAL	**9,53,47,835.03**	**7,91,83,365.18**

KALYANI COMMERCIALS LIMITED LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

22. Borrowings

Particulars	As at 31.03.2021		As at 31.03.2020	
	Non-current	Current	Non-current	Current
Secured Borrowings				
(A) TERM LOAN				
From Banks (See note below)	20,24,114.00	5,30,874.00	94,55,920.73	31,89,704.41
(B) TERM LOAN				
From NBFC (See note below)	59,33,195.00	3,67,936.74	17,76,683.59	13,51,300.07
Unsecured Borrowings (INR)				
Inter Corporate Deposits	1,91,58,816.07	-	8,26,33,179.09	-
From Directors	3,42,37,579.30	-	5,75,17,695.00	-
	6,13,53,704.37	**8,98,810.74**	**15,13,83,478.41**	**45,41,004.48**

Name Of Banker/NBFC/Other	As at 31.03.2021		As at 31.03.2020		Terms of repayments	Security
	Non-current	Current	Non-current	Current		
A. Term Loan from Banks (Secured)						
ICICI	16,83,891.00	4,42,687.00	21,26,578.00	4,00,130.00	Loan for purchase of House. Repayable to ICICI from May 2015 in 120 Monthly installments (Due with in One Year Rs. 361663) starting from 15.05.2015 at an interest rate of 9.90 % till 05.04.2025	Secured by Equitable mortgage of House Property (Flat No. 502, 5th Floor and Plot No. 120, Shakti nagar, Dadabari, Kota)
ICICI	3,40,223.00	88,187.00	4,28,410.00	79,868.00	Loan of Rs. 800000/- sanctioned on 01.05.2015 at Kota for renovation of Guest House Repayable to ICICI from June 2015 in 120 Monthly installments (Due with in One Year Rs. 72732) starting from 05.06.2015 at an interest rate of 9.95 % till 05.05.2025	Secured by Equitable mortgage of House Property (Flat No. 502, 5th Floor and Plot No. 120, Shakti nagar, Dadabari, Kota)
Yes Bank Ltd	-	-	9,24,517.00	3,87,332.00	Loan of Rs. 1972038/-sanctioned on 28.04.2018 at GD AUTO FARIDABAD foR CAR purchase. Repayable to Yes Bank in 60 Monthly installments (Due with in One Year Rs. 354870) at an interest rate of 8.65 %.	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation OF INNOVA CRYSTA (Vehicle)
Kotak Mahindra Bank*			8,64,494.00	4,19,688.00	Repayable to Kotak Mahindra from January 2018 in 60 Monthly installments of Rs. 42459	Secured by the way of hypothication of INNOVA (Vehicle)
Kotak Mahindra Bank*			31205.00	3,57,570.00	Repayable to Kotak Mahindra from April 2018 in 36 Monthly installments of Rs. 31426	Secured by the way of hypothication of HONDA WR-V (Vehicle)
Kotak Mahindra Bank*			158463.00	2,95,786.00	Repayable to Kotak Mahindra from September 2018 in 36 Monthly installments of Rs. 27130	Secured by the way of hypothication of HONDA JAZZ (Vehicle)
Kotak Mahindra Bank*			155829.00	2,91,699.00	Repayable to Kotak Mahindra from August 2018 in 36 Monthly installments of Rs. 26650	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank*			390583.00	92,917.00	Repayable to Kotak Mahindra from August 2019 in 60 Monthly installments of Rs. 11161	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank*			499623.00	1,20,982.00	Repayable to Kotak Mahindra from August 2019 in 60 Monthly installments of Rs. 14550	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
Kotak Mahindra Bank*			862654.00	2,27,698.00	Repayable to Kotak Mahindra from May 2019 in 60 Monthly installments of Rs. 26925	Secured by the way of hypothication of HONDA CITY. (Vehicle)
Kotak Mahindra Bank*			432854.00	2,17,515.00	Repayable to Kotak Mahindra from December 2019 in 36 Monthly installments of Rs. 22420	Secured by the way of hypothication of HONDA AMAZE. (Vehicle)
HDFC Bank*			0.00	71,760.13	Repayable to HDFC from June 2017 in 36 Monthly installments of Rs. 36255	Secured by the way of hypothication of HONDA CITY (Vehicle)

HDFC Bank*			2580710.73	47,080.65	Repayable to HDFC from Mar 2020 in 48 Monthly installments of Rs. 65805	Secured by the way of hypothication of HONDA CRV (Vehicle)
HDFC Bank*			0.00	1,35,598.82	Repayable to HDFC from Jun 2017 in 34 Monthly installments of Rs. 58509	Secured by the way of hypothication of HONDA CRV (Vehicle)
HDFC Bank*			0.00	44,079.81	Repayable to HDFC from June 2017 in 36 Monthly installments of Rs. 22270	Secured by the way of hypothication of HONDA JAZZ (Vehicle)
	20,24,114.00	**5,30,874.00**	**94,55,920.73**	**31,89,704.41**		

*Figures relating to current financial year are not given for subsidiary as the Group has sold controlling interest on 30.10.2020

KALYANI COMMERCIALS LIMITED LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

Secured Loan from NBFC						
TATA MOTORS FINANCE LIMITED	3,33,195.00	3,67,936.74	7,02,364.74	3,38,537.18	Loan of Rs. 1680000/-sanctioned on 29.01.2018 at KOTA for HEXA purchase. Repayable to TMFL from February 2018 in 60 Monthly installments (Due with in One Year Rs.306891) at an interest rate of 8.76 %.	Rupees term loan from bank is secured/to be secured by first charge by way of hypothecation of TATA HEXA (Vehicle)
TATA MOTORS FINANCE LIMITED*			0.00	1,35,943.95	Repayable to TMFL from February 2018 in 36 Monthly installments of Rs. 14101	Secured by the way of hypothication of TATA MAGIC EXPRESS (Vehicle)
TATA MOTORS FINANCE LIMITED*			0.00	1,66,156.72	Repayable to TMFL from February 2018 in 36 Monthly installments of Rs. 17235	Secured by the way of hypothication of TATA 207Di (Vehicle)
TATA MOTORS FINANCE LIMITED*			0.00	1,32,743.85	Repayable to TMFL from March 2018 in 36 Monthly installments of Rs. 12581	Secured by the way of hypothication of TATA ACE MEGA XL (Vehicle)
TATA MOTORS FINANCE LIMITED*			310600.49	2,62,768.00	Repayable to TMFL from June 2018 in 47 Monthly installments of Rs. 25089	Secured by the way of hypothication of TATA LPT709 (Vehicle)
TATA MOTORS FINANCE LIMITED*			763718.36	3,15,150.11	Repayable to TMFL from June 2019 in 47 Monthly installments of Rs. 33907	Secured by the way of hypothication of TATA WINGER 600 (Vehicle)
TATA MOTORS FINANCE SOLUTIONS LTD (FAST TRACK LOAN)*	56,00,000.00	-			Loan of Rs. 5600000/-sanctioned on 31.03.2021 at KOTA for traade funding. Repayable to Tata Motor Finance from April 2022 in 36 Monthly installments starting from 04.04.2022 at an interest rate of 11% till 31.03.2025	Hypthecation of Current Assets
	59,33,195.00	**3,67,936.74**	**17,76,683.59**	**13,51,299.81**		

*Figures relating to current financial year are not given for subsidiary as the Group has sold controlling interest on 30.10.2020

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
23. Provisions		
Provision for Employees Benefits		
Contingent Provision against standard Assets	-	-
	-	**-**
24. Short Term Borrowings (current)		
Secured		
Working Capital Loan		
(a) Indian Rupee (See Note - 1)	-	18,96,13,390.21
(b) From Other Bank (See Note - 2)	24,41,93,650.22	10,50,63,446.75
(c) From NBFC (See Note - 3)	1,19,79,919.20	3,14,92,873.72
Unsecured		
From HDFC Bank	24,62,306.00	-
	25,86,35,875.42	**32,61,69,710.68**

Notes:

1. Cash Credit Limit from HDFC is secured by way of hypothecation of all company`s current assets including all stocks and book debts and other movable,both present and future . These loans are further secured / to be secured by way of first charge by way of mortgage, by deposit of titledeeds in respect of factory land and building located at Kota and also personal guarantees of the Shri Shankar Lal Agarwal & Sourabh Agarwal Directors of the company.

2. Secured by way of hypothecation of stock and book debts and from banks i.e. Axis Bank Ltd. by Rs. 232.10 Lacs. HDFC by Rs 879.63 Lacs, Std. Chartered Bank by Rs. 909.59 Lacs, and ICICI Bank by Rs. 420.61 Lacs

3. Secured by way of hypothecation of book debts and Stock from NBFC and outstanding balance at the year end from Tata Motors Finanace Solution Ltd. by Rs 119.80

4. Rate of Intt is from 8.65% to 11.75%

25. Trade Payables		
(a)Micro, small and Medium enterprises Development Act, 2006	-	-
(b) Others (Trade Payable and others)	19,70,22,671.32	9,88,96,641.53
	19,70,22,671.32	**9,88,96,641.53**
26. Other Financial Liabilities (Current)		
Current Maturity of Long Term Borrowings	8,98,810.74	45,41,004.48
Current Due of Other Long Term Liabilies	-	-
	8,98,810.74	**45,41,004.19**
27. Other Current liablities		
Advance from Customers	92,58,612.80	3,15,49,945.44
Statutory Levies	37,88,518.00	5,38,50,469.81
Bank Balance due to reconcilation	-	-
Other Payable		84,99,064.44
Gratuity Obligation (net)	25,81,143.00	
	1,56,28,273.80	**9,38,99,479.69**

KALYANI COMMERCIALS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
28. Provisions (current)		
Provision for Employees Benefits		
		-
For Gratuity	-	-
Income Tax (Net)	10,17,813.69	25,50,000.00
	10,17,813.69	**25,50,000.00**

Income Taxes

Indian companies are subject to Indian income tax on a consolidated basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess.

Particulars	For the year ended	
	31.03.2021	31.03.2020
Current Tax		
Tax provision	53.82	49.58
Tax refund/reversal pertaining to earlier years	3.18	0.12
Total Current Tax	**57.00**	**49.70**
Deferred Tax		
Deferred Tax	(2.61)	(4.65)
Deferred Tax OCI	-	2.09
Total Deferred tax	**(2.61)**	**(2.56)**
Total tax expense debited to profit & Loss A/c	54.39	47.14

A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended	
	31.03.2021	31.03.2020
Profit/loss befor tax	255.75	113.62
Enacted Tax rate in India	33.38%	33.38%
Expected income tax expense/ (benefit) at statutory tax rate	85.37	37.93
Expenses/Capital Gain/depreciation as per books not deductible in determining taxable profits	65.95	119.08
Capital Gain/loss on fixed assets and gain/loss on investment	0.93	(71.75)
		-
Expenses deductible including depreciation as per IT Act in determining taxable profits	(73.53)	(103.06)
Additional deduction as per tax		-
Tax on Capital Gain	-	11.01
Tax Expense for the year	53.82	49.58
Effective income tax rate	21.04	43.64

*The reconciliation of income tax was not prepared by the sunsidiary company. Hence the above reconciliation is based on the holding company itself. However net profit and tax expense is taken for both holding and subsidiary company

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2021

(in Rs.)

Particulars	2020-21	2019-20
29. Revenue From Operations		
Sale of Products		
Sales of Vehicle and Spare Parts thereof including oil ,Lubricants and Petro Products (Net of Discount)	**2,16,32,10,278.00**	**6,13,35,15,754.84**
Sale of Services		
Job work Receipt	6,92,78,038.57	15,17,89,623.95
Commision Received	92,52,503.48	1,39,34,691.28
Incentive Income	3,19,62,001.48	10,75,89,179.34
	2,27,37,02,821.53	**6,40,68,29,249.41**
Particulars of Sales of Products		
Vehicle & vehicle Body	1,88,54,05,634.34	5,76,94,01,557.33
Spare Parts & accessories	26,05,94,387.99	27,27,93,944.77
Petroleum Products	7,81,01,129.90	8,93,81,497.03
Other / Used Vehicles	2,58,593.20	19,38,755.71
Total	**2,22,43,59,745.43**	**6,13,35,15,754.84**
30. OTHER INCOME		
Interest income earned on financial assets		
Other Interest income	8,76,441.25	14,59,328.57
Rent and hire receipts	4,95,000.00	19,80,000.00
Interet on Leasse	62,064.00	1,30,938.00
Interest on Gratuity (net)	26,150.00	1,52,110.00
Miscellenous Income	4,17,976.89	36,68,075.67
Contigent Provision against Std. Assets	0.00	4,541.00
Excess Provision of Income Tax	0.00	12,457.00
Gain on Re-measurement of Lease Liability	14,59,173.00	0.00
Profit on Sale of Fixed Assets(Net)	58,266.95	71,74,603.00
Total	**33,95,072.09**	**1,45,82,053.24**

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2021

Particulars	2020-21	2019-20
31. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
OPENING INVENTORIES		
Finished Goods		
Vehicles (Including old Vehicle)	15,55,11,832.36	87,80,96,083.92
Spare Parts	4,12,96,398.21	3,83,55,804.38
Petroleum Products	33,84,879.38	24,84,486.01
Others	2,23,870.00	2,31,855.00
	20,04,16,979.95	**91,91,68,229.31**
CLOSING INVENTORIES		
Finished Goods		
Vehicles (Including old Vehicle)	52,81,80,228.95	15,55,11,832.36
Spare Parts	2,31,96,712.79	4,12,96,398.21
Petroleum Products	45,96,329.95	33,84,879.38
Others	1,820.00	2,23,870.00
	55,59,75,091.69	**20,04,16,979.95**
INCREASE (DECREASE) IN INVENTORIES	**-35,55,58,111.74**	**71,87,51,249.36**
32. Purchase of Stock In Trade		
Purchases Vehicle (Including Used Vehicle)	2,25,98,33,286.96	4,99,88,86,666.14
Purchases Spare Parts & Accessories	9,12,40,665.31	13,97,42,710.15
Purchase Petro Product	7,61,25,906.94	8,71,18,793.19
	2,42,71,99,859.21	**5,22,57,48,169.48**
33. EMPLOYEE BENEFITS EXPENSE		
Salaries,Wages,Bonus and Allowances etc.	5,76,90,440.33	13,23,91,851.00
Contribution of PF, ESI and other welfare fund scheme	32,04,739.96	73,33,880.00
Contribution to Gratuity	13,11,051.00	14,50,202.00
Employee Welfare Exp. Including compensation	8,61,542.05	50,07,172.02
	6,30,67,773.33	**14,61,83,105.02**
34. Finance Costs		
Bank charges and Guarantee commission	15,32,822.14	22,26,899.96
Interest Expenses	2,91,68,330.19	12,60,66,562.65
Interest on Lease	3,40,600.00	10,08,740.00
	3,10,41,752.33	**12,93,02,202.61**
35.Depreciation and amortization expense		
Depreciation on Property Plant & Equipment	1,23,61,566.03	1,88,45,628.50
Amortisation of Investment Property	1,17,246.33	1,29,629.38
Amortisation to Right to Use	1,18,36,433.17	36,56,990.00
Amortisation of Intangible Assets	23,935.79	2,46,34,119.74
	2,43,39,181.32	**4,72,66,367.62**

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2021

36 Other Expenses (in Rs.)

Particulars	2020-21	2019-20
Trading & Job / Servicing Expenses		
Stores, Spares and Tools Consumed.	51,28,335.76	1,60,73,894.65
Job work and other charges	1,67,19,877.84	2,70,54,801.13
Repairs and Maintenance		
a) To Machinery	15,72,275.21	60,69,526.96
b) To Building	0.00	21,839.56
Insurance Expenses	13,67,111.13	11,45,435.42
	2,47,87,599.94	**5,03,65,497.72**
Establishment and Selling Exp.		
Frieght and Transportation Expenses	80,273.63	7,97,830.10
Rent	19,34,032.74	41,71,060.00
Electricity & Water	43,79,242.82	79,96,257.48
Trade Certificate & TRC Charges	2,94,496.75	0.00
Telephone, telex and postage	14,46,182.81	40,37,043.18
Travelling and conveyance expenses	20,95,757.11	47,53,651.08
Legal, consultancy, retainership, professional	28,47,018.09	45,51,626.56
General repairs	6,58,568.88	5,96,385.49
Vehicle hiring / running and maintenance	30,93,326.16	1,42,97,464.93
Miscellenous expenses	55,51,065.64	1,62,45,389.34
Payment To Auditors	1,00,000.00	2,00,000.00
Advertisment	12,05,489.96	1,15,04,263.63
Donation	1,00,251.00	83,000.00
Sales Promotion	2,09,801.63	7,62,957.22
Claims / rebate and discount exp.	91,74,808.44	43,33,857.95
Sales Commission	36,12,403.67	1,81,06,605.74
Loss on sale of controlling interest	92,895.75	0.00
Bad and Doubtful Debts	5,46,072.00	0.00
	3,74,21,687.08	**9,24,37,392.70**
Grand Total	**6,22,09,287.01**	**14,28,02,890.42**

Notes to the consolidated financial statements

37. Segment Reporting:

(a) Primary Segment: Business Segment

Based on the guiding principles given in Accounting Standard AS –17 "Segment Reporting" notified under Companies (Accounting standard) Rules 2006, the Group's operating business are organized and managed separately according to the nature of products. The two identified reportable segments. One is automobile segment in which trading of vehicles and servicing (including Heavy Commercial Vehicle and Three Wheelers) and other which includes retail outlet of Petroleum Products (BPCL).

Secondary Segment: Geographical segment:
The analysis of Geographical segment is based on the geographical location i.e. domestic and overseas markets of the customers.

Secondary Segment Reporting (By Geographical segment)
The following is the distribution of the group`s revenue from operation (net) by Geographical markets, regardless of where the goods were produced:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Revenue from domestic Market	22737.03	64068.29
Revenue from Overseas Market	0.00	0.00
Total	22737.03	64068.29

Geographical segment wise receivables:

Particulars	2020-21	2019-20
Receivable of domestic Market	1373.57	3413.29
Receivables of Overseas Market	0.00	0.00
Total	1373.57	3413.29

Geographical segment wise Fixed Assets:

Particulars	2020-21	2019-20
In India	433.76	2670.24
Outside India	0.00	0.00
Total	433.76	2670.24

a) Segment accounting polices :
In addition to the significant accounting policies applicable to the business segment as set in note 2, the accounting policies in relation to segment accounting are as under:

i) Segment revenue & expenses :
Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:
Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of trade payables & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the division of the Commercial Vehicle. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets /liabilities pertaining to two more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales :
Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation. The main division is Ganganagar Motors (A division of Commercials Vehicles) and funds provided by the Ganganagar Motors to other division and interest on such balances are not charged.

(iv)other segment having revenue from sale of external customers in excess of 10% of total revenue of all segments is shown separately and others are shown in other segment.

Information about business segments :
for the year ending as on 31st March 2021 (Rs. In Lacs)

Particulars	**Automobile**		**Others**		**Total**	
	Curr. Year	**Prev. Year**	**Curr. Year**	**Prev. Year**	**Curr. Year**	**Prev. Year**
Segment Revenue :						
External sales/income (Net)	21956.01	63174.48	781.01	893.81	22737.02	64068.29
Other receipt	33.95	145.82	0.00	0.00	33.95	145.82
Total Revenue	**21989.96**	**63320.30**	**781.01**	**893.81**	**22770.97**	**64214.11**
Segment Results :						
Segments results	542.51	1394.13	15.89	12.46	558.40	1406.59
Unallocated expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00
Operation profit before Interest	542.51	1394.13	15.89	12.46	558.40	1406.59
Financial exp.	(310.42)	(1293.02)	0.00	0.00	(310.42)	(1293.02)
Income tax current/Earlier Year	(56.98)	(49.70)	0.00	0.00	(56.98)	(49.70)
Deferred tax	2.61	4.65	0.00	0.00	2.61	4.65
Share of Profit from Associate	51.61	0.00	0.00	0.00	51.61	0.00
OCI (net)	(18.84)	7.05	0.00	0.00	(18.84)	7.05
Net Profit	**210.49**	**63.11**	**15.89**	**12.46**	**226.38**	**75.57**
Other Information :						

Segment Assets	6247.71	9462.58	151.34	125.47	6399.05	9588.05
Inter Branch Unallocated assets	0.00	0.00	0.00	0.00	0.00	0.00
Total Assets	**6247.71**	**9462.58**	**151.34**	**125.47**	**6399.05**	**9588.05**
Segmets Liabilities :						
Share Capital	100.00	100.00	0.00	0.00	100.00	100.00
Reserve & Surplus	812.28	666.53	141.20	125.30	953.48	791.83
Secured & Unsecured Loan	3208.89	4775.53	0.00	0.00	3208.89	4775.53
Segment liabilities	2126.53	3516.73	10.14	0.17	2136.68	3516.90
Unallocated liabilities	0.00	403.78	0.00	0.00	0.00	403.78
Deferred tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities	**6247.71**	**9462.57**	**151.34**	**125.47**	**6399.05**	**9588.04**
Capital Expenditure	0.00	110.19	0.00	0.00	0.00	110.19
Depreciation	243.39	472.66	0.00	0.00	243.39	472.66

38. Retirement and other employee benefits:

(a)Defined contribution plans

The Group operates defined contribution retirement benefit plan for all qualifying employees. Group directly contribute to the provident fund and having no obligation for further contribution:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Provident Fund	25.44	48.95
Contribution Employee State Insurance	6.61	24.39

(b) Defined Benefit Plans

Gratuity

Gratuity is payable to all eligible employees of the group on retirement, death, permanent disablement and resignation in terms of the provision of the Payment of Gratuity Act, 1972. The benefits would be paid at the time of separation.

The following tables summarises the changes in the projected benefit obligation and plan assets and amounts recognised in the Balance Sheet as at March 31, 2021 and March 31, 2020, being the respective measurement dates:

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
a	**Changes in present value of defined benefit obligations**		
	Present value of defined benefit obligation at the beginning of the Year	84.00	74.85
	Current Service Cost	13.11	14.50
	Interest Cost	5.88	5.61
	Actuarial changes arising from change in financial assumptions	28.28	(9.13)
	Actuarial changes arising from change in experience adjustments	0.00	0.00
	Benefits paid	0.00	(1.83)
	Present value of defined benefit obligation at the end of the Year **(Total)**	**131.27**	**84.00**
b	**Changes in fair value of Plan Assets:**		
	Fair value of Plan Assets as at beginning of the Year	99.32	91.37
	Interest Income	6.14	7.13
	Employer Contribution	0.00	2.65
	Return on plan assets excluding interest income (Fund Management Charges)	0.00	0.00
	Benefits paid	0.00	(1.83)
	Fair value of plan Assets as at end of the Year	105.46	99.32

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
c	**Net asset / (liability) recognised in the balance sheet**		
	Present value of defined benefit obligation at the end of the Year	131.27	84.00
	Fair value of plan Assets as at end of the Year	105.46	99.32
	Amount recognised in the Balance Sheet	-	15.32
	Net (liability) / assets – Current	(25.81)	15.32
	Net (liability) / assets - Non – current	0.00	0.00
d	**Expenses recognised in the Statement of Profit and Loss for the year**		
	Current Service Cost	13.11	14.50
	Interest Cost on benefit obligation (net)	(0.26)	(1.53)
	Actuarial (gain)/ Loss	28.28	(9.13)
	Total expenses included in employee benefits expenses	41.13	3.83

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
e	**Recognised in other comprehensive income for the year**		
	Actuarial changes arising from change in financial assumptions	28.28	(9.13)
	Actuarial changes arising from change in experience adjustments	0.00	0.00
	Return on plan assets excluding interest income	0.00	0.00

	Recognised in other comprehensive income	28.28	(9.13)

	Particulars	Gratuity (Funded)	
		2020-21	2019-20
1	Principal Actuarial Assumptions used as at the Balance Sheet date :		
	Discount Rate	7.00%	7.00%
	Expected Rate of Return on Plan Assets		
	Salary Escalation Rate	7.00%	7.00%

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. The above information is certified by the Actuary.

Investment risk The liability is funded with LIC as valued by LIC.

Interest risk The rate used to discount post employment benefit obligation should be determined by reference to market yields at the balance sheet date on Government bonds. The currency and term of government bonds should be in consistent with the currency and estimated term of post employment benefit obligation. .

Salary risk: Salary increase should take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

39. Financial instruments

39.1 Capital risk management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

(Rs. In Lacs)

Particulars	As at 31st March 2021	As at 31st March 2020
Long term borrowings	613.54	1513.83
Current maturities of long term debt	8.99	45.41
Short term borrowings	2586.36	3261.70

Total	3208.89	4820.94
Less: cash and cash equiavalent	924.59	159.19
Less: bank balances other than cash and cash equiavalent	0.00	0
Net debt	2284.30	4661.75
Total equity	923.14	891.83
Gearing ratio	2.47	5.23

Note

1. Equity includes all reserves of the group that are managed as capital
2. Debt is defined as long and short term borrowings.

39.2 Categories of financial instruments

Rs. In lacs

Particulars	**31.03.2021**		**31.03.2020**	
	Carrying values	**Fair value**	**Carrying values**	**Fair value**
Financial assets				
Measured at amortised cost				
Loans (Non Current)	0.00	0.00	0.00	0.00
Loans (Current)	0.00	0.00	318.91	318.91
Other financial assets(Non current)	9.47	9.47	158.05	158.05
Trade receivables	1373.57	1373.57	3413.29	3413.29
Cash and cash equivalents	924.59	924.59	159.19	159.19
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Non-current Investments (NSC)	0.03	0.03	0.03	0.03
Other Financial Assets (Current)	0.00	0.00	1.43	1.43
Total financial assets at amortised cost (A)	**2307.66**	**2307.66**	**4050.90**	**4050.90**
Financial assets				
Measured at fair value through other comprehensive income	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Financial assets				
Measured at fair value through profit and loss	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Total financial assets at fair value through profit and loss (C)				
Total financial assets (A+B+C)	**2307.66**	**2307.66**	**4050.90**	**4050.90**
Financial Liabilities				
Measured at amortised cost				
Long term Borrowings*	622.53	622.53	1559.24	1559.24

Short term Borrowings	2586.36	2586.36	3261.70	3261.70
Trade Payables	1970.23	1970.23	988.97	988.97
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current) excluding current maturity of long term debt	0.00	0.00	0.00	0.00
Total financial Liabilities at amortised cost	**5179.12**	**5179.12**	**5809.91**	**5809.91**

* Including Current Maturity of Long Term Debt.

39.3 Financial Risk Management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.
The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

39.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the Government policies . The Group is exposed in the ordinary course of its business to risks related to changes in interest rates, commodity price.

39.5 Foreign currency risk management

The group does not have and foreign currency transactions so there is no need manage risk associated with foreign currency. Hence no disclosure required.

39.6 Commodity price risk -:

The Group's revenue is exposed to the market risk of price fluctuations due to government policies or rules, other factors of demand and supply and regional economic conditions.

39.7 Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.
Group's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables:

The group's customer profile are corporate as well as large individuals. Accordingly group's customer risk is low. The sales are mostly in cash and credit to customer is around 30 days credit.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

39.8 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates.

In Rs.

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	88.56	157.73
Floating rate borrowings	2586.36	3261.70
Total borrowings	2674.92	3419.43

39.9 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

Rs. In lacs

Particulars	**31.03.2021**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				

Non-curent Investments			554.55	554.55
Loans (Non current)				0.00
Loans (current)				0.00
Trade receivables	1373.57	0.00	0.00	1373.57
Cash and cash equivalents	924.59	0.00	0.00	924.59
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	0.00	9.47	0.00	9.47
Total financial assets	**2298.16**	**9.47**	**554.55**	**2862.18**
Financial Liabilities				
Long term Borrowings	8.99	613.54	0.00	622.53
Short term Borrowings	2586.36	0.00	0.00	2586.36
Trade Payables	1970.23	0.00	0.00	1970.23
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current) excluding current maturity of long term borrowings	0.00	0.00	0.00	0.00
Total financial Liabilities	**4565.58**	**613.54**	**0.00**	**5179.12**

Particulars	**31.03.2020**			
	<1 year	**1-5year**	**>5year**	**Total**
Financial assets				
Non-curent Investments	0.00	0.00	25.03	25.03
Loans (Non current)	0.00	0.00	0.00	0.00
Loans (current)	318.91	0.00	0.00	318.91
Trade receivables	3413.29	0.00	0.00	3413.29
Cash and cash equivalents	159.19	0.00	0.00	159.19
Bank balances other than cash and cash equivalents	0.00	0.00	0.00	0.00
Other financial assets	1.43	158.05	0.00	159.48
Total financial assets	**3892.82**	**158.05**	**25.03**	**4075.90**
Financial Liabilities				
Long term Borrowings	45.41	1513.83	0.00	1559.24
Short term Borrowings	3261.70	0.00	0.00	3261.70
Trade Payables	988.97	0.00	0.00	988.97
Other financial liabilities (Non Current)	0.00	0.00	0.00	0.00
Other financial liabilities (Current) excluding current maturity of long term borrowings	0.00	0.00	0.00	0.00
Total financial Liabilities	**4296.08**	**1513.83**	**0.00**	**5809.91**

Collateral

The Group has hypothecated of its Intangible assets, trade receivables, cash and cash equivalents (details as specified in note no. 21 & 23) in order to fulfill certain collateral requirements for the banking/ Other Financial Institutions (NBFC) facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered.

40. Level wise disclosure of financial instruments

Particulars	As at 31st March 2021	As at 31st March 2020	Level	Valuation techniques and key inputs
Long term Borrowings*				
Carrying value	622.53	1559.24	2	Discounted cash flow – observable future cash flows are based on terms discounted at a rate that reflects market risks.
Fair value	622.53	1559.24	2	

*including current maturity

There is no instruments like preference shares measured at fair value using level iii technique so no sensitivity analysis and reconciliation are not given

41. CONTINGENT LIABILITIES AND COMMITMENTS

CONTINGENT LIABILIITIES (NOT PROVIDED FOR) IN RESPECT OF FOLLOWING:

a) (RS. IN LACS)

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
i)	Outstanding bank guarantee *	0.00	20.00
ii)	Other Claims against the Group not acknowledged a debt relating to supplies and service matters	210.42	210.67
iii)	Show cause/demand/notices by excise deptt., service tax, income tax authorities being disputed by the group.	1307.18	1307.18

Based on favorable decisions in similar cases, legal opinion taken by the group., discussions with the solicitors, etc., the group believes that there is fair chance of decisions in its favors in respect of all the items listed in (ii) above and hence no provisions is considered necessary against the same.

42. Related Party disclosure under Accounting Standard IND AS-24 "Related party disclosures" notified under Companies (Accounting standard) Rules 2006.

During the year, the group entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2021 and for the year ended are presented below.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows:
List of related parties and relationship**:**

For Holding Company

Name of the related party	Relationship	% of holding	Incorporated in
Subsidiaries/Associate			
Ganganagar Vehicles Priavte Limited	Associate Company w.e.f. 30th October 2020	49.90%	India
Enterprises controlled or are under same management with reporting enterprise			
Ganganagar Automobiles Private Limited			
Argent Leasing and Finance Limited			
Kota Trucks Private Limited			
Key Management personnel			
Shankar Lal Agarwal	Managing Director		
Shankar Agarwal HUF	Director's HUF		
Sourabh Agarwal	Whole Time Director		
Sourabh Agarwal HUF	Director's HUF		
Manushree Agarwal	Director		
Nikita	Company Secratory w.e.f. 14.02.2021		
Chandani Arora	Company Secratory til August 2020		
Relatives of Key management persons			
Smt. Mala Agarwal			

(b) <u>Transactions with related parties:</u> **<u>(Rs. In Lacs)</u>**

S.N.	Name	Nature of Transaction	2020-21	2019-20
1	Ganganagar Vehicles Private Limited	Opening Balance Dr.		0.00
		Shares Opening Balance	408.68	408.68
		Transaction		
		Purchase	763.90	2070.10
		Intt. Received	0.00	0.00
		Investment Sale	9.50	0.00
		Sale	611.59	1458.61
		Shares closing Balance	399.18	408.68
		Outstanding at the year end	0.00	0.00

1	Ganganagar Automobile Private Limited	Opening Balance Dr.	0.00	0.00
		Shares Opening Balance	25.00	25.00
		Shares closing Balance	25.00	25.00
2	Argent Leasing & Finance Ltd.(NBFC)	Opening Balance Cr.	24.66	24.66
		Payment	4.00	0.00
		Interest Paid	1.23	0.00
		TDS Deducted	0.09	0.00
		Outstanding Balance(Cr.)	21.79	24.66
3	M/s Kota Trucks Pvt. Ltd.	Opening Balance(Dr.)	0.00	0.00
		Transaction During the year		
		Rent (Received)	5.84	23.36
		Purchases	45.80	36.25
		Sales	54.77	64.48
		Outstanding at the year end (Dr.)	0.00	0.00
1.	Shankar Lal Agarwal	Opening Balance (Cr.)	0.00	0.00
		Director Remuneration	2.25	4.20
		Loan Received	143.00	51.80
		Amount Repaid	75.00	51.80
		Interest (less TDS)	3.08	
		Outstanding at the year end	71.08	0.00
2.	Shankar Lal Agarwal HUF	Opening Balance (Cr.)	176.00	0.00
		Loan Received	0.00	176.00
		Interest (less TDS)	8.14	0.00
		Outstanding at the year end	184.14	176.00
3.	Sourabh Agarwal	Opening Balance (Cr.)	62.00	56.60
		Rent Paid	6.00	3.60
		Director Remuneration	3.00	6.00
		Amount Received	15.00	108.45
		Interest Paid (less TDS)	2.26	0.00
		Amount Paid (Loan Repayment)	44.16	103.05
		Loan account cr. Balance	35.10	62.00
4.	Vikramjit Singh(CS)	Opening	0.00	0.37
		Salary Paid	0.00	2.63
		TDS Deducted	0.00	0.00
		Outstanding at the year end	0.00	0.00
5.	Sourabh Agarwal HUF	Opening Balance (Cr.)	49.75	0.00
		Interest (less TDS)	2.30	49.75
		Outstanding at the year end	52.05	49.75
6.	Manushree Agarwal	Opening Balance (Cr.)	0.00	0.00
		Loan Received	7.60	0.00
		Loan Repayment	7.60	0.00
7.	Chandni Arora(CS)	Opening	0.32	0.00
		Salary Paid	1.28	1.37
		Outstanding at the year end	0.00	0.32

8.	Nikita (CS)	Opening	0.00	0.00
		Salary Paid	0.33	0.00
		Outstanding at the year end	0.22	0.00
(V)Relatives to the Key Management:				
1	Smt. Mala Agarwal	Opening	0.00	0.00
		Opening Balance (Sec. Deposit)	0.00	0.05
		Rent during the year	0.60	0.12
		Amount Paid	0.60	0.12

Note: The transaction relating to reimbursement of actual expenses to/from related Parties have not been considered above below.

For Subsidiary/Associate Company – Ganganagar Vehicles Private Limited

(A)Enterprises Where Control Exists:	Name	Holding %/ Relationship	Nature of transactions
1)Holding Company	Kalyani Commercials Limited	Holding Company 51.08%	Sale
2) Subsidiaries(Extent Of Holding)	Kota Trucks Private Limited		Nil
(B)Other Related Parties:	Argent Leasing and Finance Private Limited Ganganagar Automobiles Private Limited GBM Vaahan Private Limited Shankar Lal Agarwal HUF Ganganagar Automobiles (Proprietorship)	Company Having Common Director Company Having Common Director	Sale /Purchase Sale /Purchase Sale /Purchase
1) Joint Venture	Nil	Nil	Nil
2) Key Management Personal	a. Shankar Lal Agarwal b. Sourabh Agarwal c. Ashutosh Bagadia	Director Director Director	Nil Nil Nil
3)Other (Non Executive Chairman)	Nil	Nil	Nil
4)Employees' Benefit Plans where there is significant influence	Nil	Nil	Nil

b. Transactions during the year with related parties:

Particulars	31st March 2020
Transactions with Key managerial personnel ('KMP')	
(a) Shankar Lal Agarwal	
-Unsecured loan received	1,34,11,500
-Unsecured loan repaid	22,00,000
(b) Sourabh Agarwal	
-Unsecured loan received	8,47,000
-Unsecured loan repaid	8,47,000
Transactions with Holding Company	
(a) Kalyani Commercials Limited	
-Sale of traded goods	5,56,675
-Purchase of traded goods	-
-Interest Paid	-
Transactions with Subsidiary of Holding Company	
(a) Kota Trucks Private Limited	
-Sale of traded goods	8,233
-Purchase of traded goods	-
-Unsecured loan received	2,54,17,040
-Unsecured loan repaid	2,54,17,040
-Purchase of vehicles (fixed assets)	14,85,000
Transactions with enterprise over which KMP are able to exercise significant influence	
(a) Argent Leasing and Finance Private Limited	
-Unsecured loan paid	8,10,000

-Unsecured loan received	11,90,000
(b) Ganganagar Automobiles Private Limited	
-Sale of traded goods	2,25,355
-Purchase of traded goods	5,309
-Unsecured loan received	3,02,34,558
-Unsecured loan paid	5,82,90,242
(c) GBM Vaahan Private Limited	
-Sale of traded goods	11,89,93,147
-Purchase of traded goods	10,00,89,034
-Sale of fixed assets	-
Unsecured loan given	4,18,50,106
-Unsecured loan recived	5,94,39,023
(d) Shankar Lal Agarwal HUF	
-Unsecured loan received	3,50,000
-Unsecured loan repaid	3,50,000
(e) Ganganagar Automobiles (Proprietorship)	
-Sale of traded goods	373271
-Purchase of traded goods	11,53,294
-Unsecured loan received	5,37,41,297
-Unsecured loan repaid	6,64,07,660

c. Closing balances as on 31st March, 2020

Particulars	31st March 2020
Balances due to / from Key managerial personnel ('KMP')	
(a) Shankar Lal Agarwal	
-Unsecured loan received	1,24,01,500
(b) Sourabh Agarwal	

-Unsecured loan received	-

Balances due to / from Subsidiary of Holding Company

(a) Kota Trucks Private Limited

-Trade payables	-

Balances due to / from enterprise over which KMP are able to exercise significant influence

(a) Argent Leasing and Finance Private Limited

-Unsecured loan received	11,55,000

(b) Ganganagar Automobiles Private Limited

-Unsecured loan received	4,61,24,984

(c) GBM Vaahan Private Limited

-Trade receivables	1,14,82,840
-Unsecured loan given	-

(d) Ganganagar Automobiles (Proprietorship)

-Unsecured loan received	1,63,41,195

* The Ganganagar Vehicle Private Limited has ceased to be subsidiary of the Company w.e.f. 30.10.2020 hence the figures for financial year 2020-2021

43 Details of dues to Micro Small and medium enterprises as per MSMED Act. 2006 as identified by the group.

(Rs. In lacs)

Particulars	**2021**	**2020**
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year	-	-
The interest due an unpaid principal amount remaining as at the end of the each accounting year		-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in	*-	-

making payment (which have been paid but beyond the appointed day during the year) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006	-	-

44. Earning per Shares (E.P.S.)

S. No.	Particulars	2021	2020
i)	Calculation of weighted average number of face value of equity shares of Rs. 10 each		
	No. of shares at the beginning of the year.	1000000	1000000
	Total equity shares outstanding at the end of the year	1000000	1000000
	Weighted average no of equity shares outstanding during the year.	1000000	1000000
ii)	Net Profit after Tax available for equity shares holders (Rs.)	16164470	8529562
iii)	Basic and diluted earning per shares (Rs.)	16.16	8.53
iv)	Nominal value of equity shares (Rs.)	10	10

45. The Company was registered u/s 45-IA of the RBI Act 1934 as an NBFC Company besides its other business activities. The company has voluntarily surrendered its NBFC status to the RBI vide company letter dated 28.06.2019 and continued to running its normal business activities i.e. trading in Commercial Vehicle and Petroleum dealership of BPCL. Pursuant to this the Company has prepared its financial statement as per Ind AS. The same is not affecting the business activity of the company in any manner including going concern concept. However pursuant to RBI directions through email dated 18 December 2020 requiring Company to hold the status of NBFC till the application for surrender of Certificate of Registeration (COR) is accepted and taken on records of RBI, Company resolved to continue with the earlier status of NBFC with effect from 29 December 2020, but the Company is non operational in the business of NBFC.

46. Impact assessment of the global health pandemic- COVID-19

The impact of Covid -19 pandemic was felt across the economy and business segments. Consequent to significant opening up of the economic activity in the country, the demand for the company's products has improved compared to that during the initial phases of Covid-19 including the lock down period. All the business segments of the Company have substantially recovered as at year end. In preparation of these financial statements, the Company has taken into account both the current situation and likely future developments.

47. The dues outstanding in respect of Income Tax and VAT on account of disputes are as under:

Name of the Statute	Nature of Dues	Demand (Rs. In Lakhs)	Amount paid against demand (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.74	0.00	FY 2010-11	CIT(A)
Income Tax Act, 1961	Income Tax	3.06	2.29	FY 2017-18	CIT(A)
RVAT Act	Sales Tax	652.57	42.10	FY 2014-15	Commissioner (A)
RVAT Act	Sales Tax	647.81	38.79	FY 2013-14	Commissioner (A)

48. Other Additional Information regarding the Disclosure of information pertaining to subsidiary is given as per Annexure 1.

49. Statement containing salient features, pursuant to Schedule III of the Companies Act, 2013 of Subsidiary as per Standalone financial statements of each entity as under:

Particulars	**Net Assets**		**Share in Profit(Loss)**	
	As % of Consolidated net assets	**Amount(Rs. Lacs)**	**As % of Consolidated net Profit**	**Amount(Rs. Lacs)**
	2020	**2020**	**2020**	**2020**
Parent Kalyani Commercials Limited	**98.54**	**878.82**	**111.91**	**95.45**
Subsidiary Ganganagar Vehicle Pvt. Ltd.	**92.56**	**825.48**	**-23.32**	**-19.89**
Minority Interest		**403.78**		**-9.73**

50. Other Additional information.

a. (Rs. in Lacs)

S. No.	**Particulars**	**2021**	**2020**
I	C.I.F. Value of Imports	0	0
	Raw Material	0	0
	Stores & Spares	0	0
	Machinery	0	0
ii)	EXPENDITURE IN FOREIGN CURRENCY (PAID OR PROVIDED) INCLUDING OVERSEAS BRANCHES	0	0
iii)	Income in Foreign Currency	0	0
iv)	Net dividend remitted in foreign currency/foreign intuitional investors	0	0
	No. of NRI share holders	0	0
	No of shares held by them	0	0
	Dividend paid (Rs. In lacs)	0	0
	Year to which dividend relates	NA	NA

iv) VALUE OF RAW MATERIAL & STORES AND COMPONENTS CONSUMED:

(Rs. In Lacs)

Particulars	2021	%	2020	%
Raw Material	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total :-	0	0	0	0
Stores & Spares	0	0	0	0
Imported	0	0	0	0
Indigenous	0	0	0	0
Total	0	0	0	0

51. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

SIGNED FOR IDENTIFICATION
For **M. C. BHANDARI & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.303002E)

CA S.K. MAHIPAL
PARTNER
M.N.:70366

PLACE: Delhi
DATE : 29.06.2021

For and behalf of board of director of
KALYANI COMMERCIALS LTD.

S.L. Agarwal
M. Director
DIN: 01341113

Sourabh Agarwal
Whole Time Director
DIN: 02168346

Nikita
CS
M.No.: A-64384

Annexure 1

Particulars regarding subsidiary companies pursuant to General Circular No. 2/2011 dated February 8, 2011 from Ministry of corporate affairs Government of India Year ended March 31, 2020.

Name of subsidiary Group	**Capital**	**Reserve**	**Total Assets**	**Total Liabilities**	**Turnover**	**Profit / Loss Before Taxation**	**Provision For Taxation**	**Profit/Loss After Taxation**	**Proposed Dividend**
Ganganagar Vehicles Private Ltd. till 30.10.2020	800.00	25.48	6631.92	5806.44	40684.34	0.82	20.71	-19.89	-

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31.03.2021 AND CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND ALSO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE

1. GroupOverview:

Kalyani Commercials Limited (Company) is a public limited company registered under Companies Act, 1956, listed in Bombay Stock Exchange. The registered office of the company is situated BG-223, Sanjay Gandhi Transport Nagar, GT Karnal Road, Delhi, 110042.
The company dealing in trading of Heavy/ Light Commercial Vehicles(Four and Three Wheeler), servicing (Dealership of TATA and BAJAJ) and Petroleum Product (Dealership of Bharat Petroleum Limited).

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act,2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 29.06.2021

2.2 Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group is required to prepare its Consolidated Financial Statements as per the Indian Accounting Standards (‘Ind AS’) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March, 2021, the consolidated Statement of Profit and Loss, the Consolidated Statements of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31 March, 2021, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as “Consolidated Financial Statements” or “financial statements”).

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary til 30.10.2020 and associate later on w.e.f. 30.10.2020 as at 31st March 2021.
The Group consider in the consolidation Financial Statements are :

Name of Company	Country of Incorporation	% of Ownership as at 31.03.2021	% of Ownership as at 31.03.2020
Ganganagr Vehicles Pvt. Ltd. (till 30.10.2020	India	49.90	51.08

Subsidiary:

Subsidiary over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has

• has power over the investee
• is exposed to, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affect its returns
the company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

• Potential voting rights held by the Company, other vote holders or other parties;

• rights arising from other contractual arrangements; and

• any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Consolidation procedure:

Subsidiary:

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Changes in the Group's ownership interest in existing subsidiary:

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109.

2.5 Basis of classifications of current and non current

All the assets and liabilities have been classified as current or non-current in the balance sheet,

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Group's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Revenue Recognition

In case of sale of goods performance obligation is satisfied when control is transferred to customer and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

The company accounts for discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Goods and Service Tax (GST) is not received by the company on its own account. Rather it is tax collected on value added to the goods/ services by the seller on behalf of the Government. Accordingly, it is excluded from revenue. However such tax expenses is included in cost where Company is not availing tax credit of the same.

2.7 Interest Income:-

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.8 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Accounting policy
The Company as a lessee
The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.
At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.9 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use..

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Group suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

2.10 Retirement and other employee benefits:

Defined Contribution plans

Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

(a) Provident fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Pension Fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Defined Benefit Obligation Plans

Gratuity

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

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Kalyani Commercial Limited Employees' Gratuity Fund Trust ("the Trust"). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian law

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

The Company has a policy on compensated absences which are non-accumulating in nature.

2.11 TAXATION:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except wherethe Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.12 Property, Plant and Equipment

PROPERTY, PLANT & EQUIPMENT is recognized when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the item can be measured reliably.

PROPERTY, PLANT &EQUIPMENTS are stated at cost net of Cenvat less accumulated depreciation and impairment losses, if any. Cost of acquisition is inclusive of freight, duties, attributable overheads, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets.

Assets in the course of construction are capitalized in the assets under construction account. At the point when the asset is operating at management’s intended use, the cost of construction is transferred to the appropriate category of the PROPERTY, PLANT & EQUIPMENT and depreciation commences.

Free hold land is carried at historical cost.

Leasehold land is not amortized as all leasehold land is on 99 years lease with local authority.

All other items of property plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in assets carrying amount or recognized as a separate asset, as the case may be, only when it is probable that future economic benefits with the PROPERTY, PLANT & EQUIPMENT will flow to the entity and cost of the item will be measured reliably.

Carrying amount of component is recognized as a separate asset. Such component is derecognized when replaced.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories.

Repairs and maintenance are charged to profit and loss account as and when they are incurred.

An items of PROPERTY, PLANT & EQUIPMENT is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PROPERTY, PLANT & EQUIPMENT is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit & loss.

Depreciation and estimates

- Depreciation is calculated using written down value method to allocate their cost, net off there residual value.
- The useful life of asset has been taken as specified in schedule II of Companies Act, 2013
- The residual value is not more than 5% of asset.
- The residual value is taken after considering the restoration cost.
- The assets' residual values and useful lives of the assets are reviewed and adjusted if appropriate at the end of each reporting period.

Class of Assets	Years
Building	15 to 50 years
Plant & Machinary	3 to 15 years
Furniture & Fixtures	3 to 10 years
Vehicles	4 to 5 years
Office Equipments	3 to 10 years

2.13 Intangible Assets (Software)

Intangible assets (which comprises of software acquired) and depreciation /amortization on WDV method as per Companies Act 2013 and impairment losses if any.

Amortization is recognized on a written down value basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.14 Impairment of Non-Financial assets including of Property, Plant & Equipments and Intangible Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.

However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.15 INVENTORIES

Inventories are valued as follows:-

A.	(a)	Trading Goods (Including Spare parts)	At Cost or net realizable value, whichever is lower. Cost for this purpose includes direct material cost plus appropriate share of overhead.

2.16 Provisions, contingent liabilities & Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settled the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not disclosed to its present value and are determined based on best management 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.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Other contingent liabilities and assets are not recognized but are disclosed in the notes..

2.17 Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

2.17.1 Financial assets

Initial recognition and measurement

The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

Subsequent measurement

Debt Instruments-

Subsequent measurement of debt instruments depends on the Group's business model for managing the assetand the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium onacquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Investment in subsidiary/associate

Investment in subsidiary/associate is carried at deemed cost in the separate financial statements.

Derecognition

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

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

On Derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

2.17.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Group chooses to subsequently measure it loans and borrowings at amortized cost using the interest rate mentioned in loan agreement of loans taken before 01.04.2019. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis,to realize the assets and settle the liabilities simultaneously.

<u>2.18 Fair Value Measurement</u>

The Group measures financial instruments, such as, equity instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis ofthe nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.19 Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker review the performance of the Group according to the nature of products traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of segments is based on the activities performed by each segment.

2.20 Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing andpresenting financial statements of the Group as a whole.

2.21 Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.22 Dividend to equity holders of the Group

The Group recognises a liability to make dividend distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.23 Earningsper Share

a. **Basic EPS :** Basic EPS is calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during financial year adjusted for bonus elements in the equity shares issued during the year.
b. **Diluted EPS:** Diluted EPS adjusts the figures used in the determination of basic EPS to take into account:
    - The after income tax effect of interest and other financing costs associated with the dilutive potential equity share and
    - The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential shares

3. Critical judgments and estimates

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires the management to make judgment, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and Liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these

assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.
The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable
- Estimated useful life of Property Plant and equipment
- Estimated Useful life of intangible assets
- Estimation for the value of contingent liabilities
- Recognition of revenue

Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of property plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Contingencies

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

v) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.