

ADHARSHILA CAPITAL SERVICES LIMITED

**26th
Annual Report
2018-2019**

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CORPORATE INFORMATION

[CORPORATE IDENTITY NO. (CIN) : L74899DL1993PLC056347]

BOARD OF DIRECTORS

1. Mrs. Amita Adlakha
2. Mr. Rajindar Kumar Khanna
3. Mr. Joginder Singh Dhikkar
4. Mr. Harnand Tyagi
5. Mr. Harish Kumar Dhingra

AUDITORS

M/s Rajendar K. Kumar & Associates
57, Navyug Market,
Ghaziabad – 201001 (U.P.)

REGISTRAR & SHARE TRANSFER AGENT

M/s Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Phase I
Okhla Industrial Area
New Delhi - 110020

BANKERS

State Bank of India,
SIB, Navyug Market,
Ghaziabad (U.P.)

REGISTERED OFFICE

7-C, 1st Floor, 'J' Block Shopping Centre,
Saket, New Delhi-110017
Email: adharshilacapital@gmail.com
Website: www.adharshilacapital.in

CORPORATE OFFICE

C/o Uttam Toyota
A-11, Meerut Road Industrial Area,
Ghaziabad (U.P.) 201003

NOTICE OF 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held on Friday, the 26th Day of July, 2019 at 12:00 Noon at "Shree Agrasen Bhawan" Vivek Vihar, Delhi – 110 095" to transact the following business(es):

ORDINARY BUSINESS(ES):

1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the year ended on 31st March, 2019 along with the Reports of Directors and Auditors thereon.

2. Re-appointment of Mrs. Amita Adlakha (DIN: 00050772) as a Director liable to Retire by Rotation

To appoint Mrs. Amita Adlakha (DIN: 00050772), who retires by rotation and is eligible for re-appointment.

3. Approval to dispense with the requirement of ratification of appointment of Statutory Auditor

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

"RESOLVED THAT pursuant to the provisions of the Companies (Amendment) Act, 2017 read together with Section 139 of the Companies Act, 2013 (as amended) and other applicable provisions, if any, and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of the resolution passed by the members of the Company at the 24th Annual General Meeting held on 14th July, 2017, the Company hereby dispenses with the requirement of ratification of the appointment M/s Rajendar K. Kumar & Associates, Chartered Accountants (Firm Registration No. 010142C) as Statutory Auditors of the Company."

SPECIAL BUSINESS(ES)

4. Re-appointment of Mr. Harnand Tyagi (DIN: 00159923) as Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 amended up to date, Mr. Harnand Tyagi (DIN: 00159923), who is eligible for appointment as independent director and who has submitted a declaration that he meets the criteria for independence, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from the date of shareholders approval till 25th July, 2024."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to above Resolution."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to above Resolution."

5. Re-appointment of Mr. Joginder Singh Dhikkar (DIN: 00050606) as Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 amended up to date, Mr. Joginder Singh Dhikkar (DIN: 00050606), who is eligible for appointment as independent director and who has submitted a declaration that he meets the criteria for independence, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from the date of shareholders approval till 25th July, 2024."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018"), consent of the shareholders

ADHARSHILA CAPITAL SERVICES LIMITED

be and is hereby also accorded for continuation of Mr. Joginder Singh Dhikkar as Independent Director, on attaining the age of over 75 (seventy five) years for remaining tenure till 25th July, 2024.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to above Resolution.”

6. Re-appointment of Mr. Rajindar Kumar Khanna (DIN: 00183593) as Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 amended up to date, Mr. Rajindar Kumar Khanna (DIN: 00183593), who is eligible for appointment as independent director and who has submitted a declaration that he meets the criteria for independence, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from the date of shareholders approval till 25th July, 2024.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to above Resolution.”

7. Alteration in Main Object Clause of the Memorandum of Association-Clause III(A)

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

“**RESOLVED THAT** pursuant to the provisions of Section 13 of the Companies Act, 2013 read with the rules made there under and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Shareholders of the Company be and is hereby given for alteration in the Memorandum of Association of the Company by deletion of existing Clause III(A) and by insertion of new Clause III(A)- **“THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:- ”** in the Memorandum of Association as per the Companies Act, 2013 :-

1. To lend money, either with or without security, and generally, to such persons and upon such terms and conditions as the company may think fit and also to invest the moneys of the Company, not immediately required, in or upon such investments and in such manner as, from time to time, may be determined, provided that the Company shall not carry on the business of the banking as defined in the Banking Regulations Act, 1949.
2. To subscribe, take, purchase or acquire shares, Stocks, Debentures, Bonds, Mutual Funds, Government Securities, other financial instruments by whatever name called etc. by original subscription, contract, tender, purchase, exchange, underwriter participate in syndicates or otherwise and whether or not fully paid up, and to subscribe for the same, subject to such term/and conditions, as may be thought fit.
3. To carry on the business of finance and investment Company and to act as advisers and consultants on the matters related to businesses mentioned hereinabove.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to above Resolution.”

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LTD.**

Place : Ghaziabad
Dated : 21.06.2019

Sd/-
(HARNAND TYAGI)
DIRECTOR, DIN 00159923
R/O: G-232, PATEL NAGAR-III,
GHAZIABAD-201001

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of this meeting. A proxy shall not vote except on a poll. A Proxy form is enclosed herewith.

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

- Pursuant to Section 91 of the Companies Act, 2013, the Share Transfer Books and the Register of Members of the company will remain closed from Saturday, 20th Day of July, 2019 to Friday, 26th Day of July, 2019 (both days inclusive).
- In terms of notification issued by Securities and Exchange Board of India, Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 2nd January, 2002. Shareholders are, therefore, advised to dematerialize their shareholding to avoid inconvenience in future.
- Members desiring any information regarding Accounts of the Company are requested to write to the Company at its address: A-11, Meerut Road, Industrial Area, Ghaziabad at least one week in advance so as to enable the management to keep the information ready, as far as possible, at the Meeting.
- Members are requested to bring their copies of Annual Report to the Meeting.
- Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Members are requested to always quote their Folio No. / Client ID & DP ID in all correspondence with the Company's registrar and the Company. Members are requested to notify any change of address to the Company or its Registrar i.e. M/s Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Phase I, Okhla Industrial Area, New Delhi - 110 020.
- Members / Proxies are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
- As per green initiative of Ministry of Corporate Affairs (MCA), members are requested to provide their email addresses to the Registrar & Share Transfer Agent of the Company namely M/s Skyline Financial Services Pvt. Ltd., in order to receive the various Notices and other Notifications from the Company, in electronic form.
- Members may also note that the Notice of Annual General Meeting and the Annual Report 2018-19 are also available on Company's website: www.adharshilacapital.in
- The Company has paid the Annual Listing Fees for the year 2019-20 to the BSE Limited on which the Company's Securities are presently listed.
- 12. Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company is pleased to provide the facility to members to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL):

The facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by e-voting shall be able to vote at the meeting through Ballot Paper. However, in case members cast their vote both via Ballot Paper and e-voting, then voting through e-voting shall prevail and voting done by Ballot Paper shall be treated as invalid.

The instructions for shareholders voting electronically are as under:

- The e-voting period commences on 23rd July, 2019 (9.00 a.m.) and ends on 25th July, 2019 (5.00 p.m.). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date/record i.e. 19th July, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a member as on the cut-off date should consider this notice for information purpose only.

ADHARSHILA CAPITAL SERVICES LIMITED

Any person who acquires shares of the company and becomes a shareholder of the Company after dispatch of the notice of AGM and holds shares as on the cut off date i.e. 19th July, 2019 may obtain log-in Id and password by sending request at adharshilacapital@gmail.com.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Attendance Slip indicated in the PAN field..
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. * If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for **Adharshila Capital Services Limited**.
- (xiii) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- (xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
- (xvi) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the votes cast by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. or contact the company at adharshilacapital.com or through Telephone No.:- 0120-4152766, 4193799.

13. **Mr. Akshat Garg**, Practicing Company Secretary (Membership No. FCS 9161) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the website of the Company viz. www.adharshilacapital.in and shall also be communicated to the Stock Exchange where the Company's Equity Shares are listed i.e. BSE Limited.

14. The Chairman shall, at the Annual General Meeting, 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" or "polling paper" for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.

15. The Scrutinizer shall after the conclusion of voting at the AGM, 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 48 hours from 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 voting forthwith.

The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.adharshilacapital.in under the section 'Investors' and on the website of CDSL; such Results will also be forwarded to BSE Limited.

16. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date/record date i.e. Friday, 19th July, 2019.

17. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days, up to and including the date of the Annual General Meeting of the Company.

18. Explanatory Statements setting out all material facts relating to Special Business (es) contained in item No. 4 to 7 as required under Section 102(1) of the Companies Act, 2013 is annexed hereto.

**RE-APPOINTMENT / APPOINTMENT OF DIRECTORS
(ANNEXURE TO NOTICE)**

(A brief particulars in respect of the proposed re-appointment/appointment of Director is given below in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015)

1. Mrs. Amita Adlakha (DIN : 00050772):

Mrs. Amita Adlakha, aged 56 years is a Graduate. She has an overall experience of over 31 years in the field of general administration.

Qualification : Graduate

Directorship held in other Listed Entities

Pariksha Fin-Invest-Lease Limited

Membership in committees in other Companies

Nil

Relationships between Director inter-se

Mrs. Amita Adlakha is not related to any other Directors of the Company.

Number of Shares held in the Company

Mrs. Amita Adlakha is holding 7,00,000 (12.73%) Equity Shares in the company.

2. Mr. Harnand Tyagi (DIN : 00159923):

Mr. Harnand Tyagi, aged 67 years, is a Law Graduate. He has an overall experience of over 43 years in the field of Finance, Accounts and Legal.

Qualifications: Law Graduate

Directorship held in other Listed Entities

Pariksha Fin-Invest-Lease Limited

Membership in committees in other Companies

He is a member of Audit Committee, Stakeholder Relationship Committee and Nomination & Remuneration Committee in Pariksha Fin-Invest-Lease Limited.

Relationships between Director inter-se

Mr. Harnand Tyagi is not related to any other Directors of the Company.

Number of Shares held in the Company

Nil

3. Mr. Joginder Singh Dhikkar (DIN : 00050606):

Mr. Joginder Singh Dhikkar, aged 70 years, he has done Diploma in Mechanical Engineering. He has an overall experience of over 50 years in the field of general Administration and Management.

Qualification: Diploma

Directorship held in other Listed Entities

Nil

Membership in committees in other Companies

Nil

Relationships between Director inter-se

Mr. Joginder Singh Dhikkar is not related to any other directors of the Company.

Number of Shares held in the Company

Nil

4. Mr. Rajindar Kumar Khanna (DIN : 00183593):

Mr. Rajindar Kumar Khanna, aged 62 years, he has done Diploma in Mechanical Engineering. He has an overall experience of over 38 years in the field of general Administration and Management.

Qualification: Diploma

Directorship held in other listed entities

Nil

Membership in committees in other Companies

Nil

Relationships between Director inter-se

Mr. Rajindar Kumar Khanna is not related to any other directors of the Company.

Number of Shares held in the Company

Mr. Rajindar Kumar Khanna is holding 2,200 (0.04%) Equity Shares in the company.

**DETAILS OF SHAREHOLDING/OTHER CONVERTIBLE INSTRUMENTS OF
NON-EXECUTIVE DIRECTORS OF THE COMPANY**

(Pursuant to Regulation 36(3) of the SEBI
(Listing Obligations and Disclosure Requirements), Regulations, 2015)

Sl. No.	Name of Director	No. of Equity Shares	Other Convertible Securities
1	Sh. Rajindar Kumar Khanna	2,200	N.A.
2	Sh. Joginder Singh Dhikkar	Nil	N.A.
3	Sh. Harnand Tyagi	Nil	N.A.
4	Sh. Harish Kumar Dhingra	Nil	N.A.

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LTD.**

Place : Ghaziabad

Dated : 21.06.2019

Sd/-
(Harnand Tyagi)
Director, DIN 00159923
R/O: G-232, PATEL NAGAR-III,
GHAZIABAD-201001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE

Item No. 4

Mr. Harnand Tyagi is associated with the company as an Independent Director since past more than 9 years. However, in terms of provisions of Section 149 of the Companies Act, 2013, an independent director can only be appointed for not more than two consecutive terms of five years. This tenure of two consecutive terms is to be counted from the commencement of the Companies Act, 2013 i.e. effective from 1st April, 2014. Considering his qualification, vast experience and good knowledge of business and legal matters, Nomination Remuneration Committee (NRC) recommended the Board the continuation of his appointment for a second term of five consecutive years, starting from the ensuing AGM.

Therefore, the Board proposed the resolution as set out in the Item No. 4 for approval of shareholders by way of Special Resolution.

A brief profile of Mr. Harnand Tyagi has already been provided under the heading "Details of Appointment / Re-Appointment of Directors (Annexure to the Notice)".

None of the Directors and Key Managerial Personnel of the Company including their relatives, except Mr. Harnand Tyagi (being the appointee), is concerned or interested, financially or otherwise in the proposed resolution.

Item No. 5

Mr. Joginder Singh Dhikkar is associated with the company as an Independent Director since past more than 19 years. However, in terms of provisions of Section 149 of the Companies Act, 2013, an independent director can only be appointed for not more than two consecutive terms of five years. This tenure of two consecutive terms is to be counted from the commencement of the Companies Act, 2013 i.e. effective from 1st April, 2014. Therefore, Mr. Joginder Singh Dhikkar required to be re-appointed in the ensuing AGM.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect. Mr. Joginder Singh Dhikkar will attain the age of 75 years on 08th September, 2023 and hence continuation of Mr. Joginder Singh Dhikkar as Independent Director, on attaining the age of over 75 (seventy five) years requires the approval of members by way of a special resolution.

In view of above and Considering his qualification, vast experience and good knowledge of business, Nomination Remuneration Committee (NRC) recommended the Board the continuation of his appointment for a second term of five consecutive years, starting from the ensuing AGM.

Therefore, the Board proposed the resolution as set out in the Item No. 5 for approval of shareholders by way of Special Resolution.

A brief profile of Mr. Joginder Singh Dhikkar has already been provided under the heading "*Details of Appointment / Re-Appointment of Directors (Annexure to the Notice)*".

None of the Directors and Key Managerial Personnel of the Company including their relatives, except Mr. Joginder Singh Dhikkar (being the appointee), is concerned or interested, financially or otherwise in the proposed resolution.

Item No. 6

Mr. Rajindar Kumar Khanna is associated with the company as an Independent Director since past more than 18 years. However, in terms of provisions of Section 149 of the Companies Act, 2013, an independent director can only be appointed for not more than two consecutive terms of five years. This tenure of two consecutive terms is to be counted from the commencement of the Companies Act, 2013 i.e. effective from 1st April, 2014. Considering his qualification, vast experience and good knowledge of business, Nomination Remuneration Committee (NRC) recommended the Board the continuation of his appointment for a second term of five consecutive years, starting from the ensuing AGM.

Therefore, the Board proposed the resolution as set out in the Item No. 6 for approval of shareholders by way of Special Resolution.

A brief profile of Mr. Rajindar Kumar Khanna has already been provided under the heading "*Details of Appointment / Re-Appointment of Directors (Annexure to the Notice)*".

None of the Directors and Key Managerial Personnel of the Company including their relatives, except Mr. Rajindar Kumar Khanna (being the appointee), is concerned or interested, financially or otherwise in the proposed resolution.

Item No. 7

The company is registered with Registrar of Companies vide CIN L74899DL1993PLC056347 under the activity code 74899. On checking the activity code with NBFC norms, it was found that for NBFCs, the activity codes prescribed are 65110, 65191, 65192, 65910, 65921, 65923, 65993, 65999.

The Board deemed it fit to amend the object clause of the company so as to align the business activity code with the main objects of the company. Hence, the company has decided to alter its Memorandum of Association accordingly.

Therefore, the Board of Directors recommends the resolution as set out in the Item No. 7 for approval of members by way of Special Resolution.

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

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LTD.**

Place : Ghaziabad
Dated : 21.06.2019

Sd/-
(HARNAND TYAGI)
DIRECTOR, DIN 00159923
R/O: G-232, PATEL NAGAR-III,
GHAZIABAD-201001

DIRECTORS' REPORT

To

The Members

The Directors have pleasure in presenting the 26th Annual Report and the Audited Statements of Accounts of your Company for the year ended 31st March 2019.

FINANCIAL RESULTS

The financial results of the Company for the year ended on 31st March, 2019 are as under:-

DETAILS	(In Rupees)	
	Year ended 31.03.2019	Year ended 31.03.2018
Total Revenue	27,28,105	22,30,779
Profit/(Loss) before Depreciation & Tax	10,41,178	(9,08,479)
Less : Depreciation	13,765	21,246
Contingent provisions against Standard Assets	-	-
Less : Provision for tax:-		
- Current Tax	-	-
- MAT Credit entitlement	-	-
- Deferred Tax Charge/(Credit)	98,439	2,83,059
Profit / (Loss) after Taxation	9,28,974	(12,12,784)
Prior Period Items	-	(68,335)
Balance Brought Forward	6,77,223	19,58,342
Surplus carried to Balance Sheet	14,20,397	6,77,223

COMPANY'S PERFORMANCE

During the year under review, our revenue has increased to Rs. 27,28,105 as against the revenue of Rs. 22,30,779 in the previous year. The company has incurred a profit after tax of Rs. 928,974 as against the loss of Rs. 12,81,119/- in the previous year.

CHANGE IN THE NATURE OF THE BUSINESS

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

DIVIDEND

The Board of Directors has not recommended any dividend for the financial year 2018-19.

SHARE CAPITAL

During the year under review, the Company has neither issued any Equity Shares, Shares with Differential Voting Rights nor granted Stock Options nor Sweat Equity as on 31st March, 2019. The Company has not bought back any equity shares during the year 2018-19.

As on 31st March, 2019, none of the Directors of the Company hold shares of the Company except Mrs. Amita Adlakha, Managing Director of the Company, who is holding 700,000 (12.73%) equity shares and Mr. Rajindar Kumar Khanna who is holding 2,200 (0.04%) equity shares.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Amita Adlakha, Managing Director of the Company is liable to retire by rotation and being eligible, offers herself for re-appointment. The Board recommends the re-appointment of Mrs. Amita Adlakha as Director in the ensuing Annual General Meeting of the Company.

Mr. Harnand Tyagi, Independent Director, whose tenure is going to expire at ensuing Annual General Meeting, proposed to be re-appointed as Independent Director for further period of five years.

ADHARSHILA CAPITAL SERVICES LIMITED

Mr. Joginder Singh Dhikkar, Independent Director, whose tenure is going to expire at ensuing Annual General Meeting, proposed to be re-appointed as Independent Director for further period of five years.

Mr. Rajindar Kumar Khanna, Independent Director, whose tenure is going to expire at ensuing Annual General Meeting, proposed to be re-appointed as Independent Director for further period of five years.

Brief particulars of directors to be appointed/reappointed i.e. Mrs. Amita Adlakha, Mr. Harnand Tyagi, Mr. Joginder Singh Dhikkar and Mr. Rajindar Kumar Khanna including their qualification, experiences along with the name of listed entities in which she holds the Directorship/Membership of the Committees of the Board, as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given as Annexure to the Notice convening the Annual General Meeting.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, Mr. Tushar Malhotra has been appointed as Company Secretary cum Chief Financial Officer w.e.f. 10th July, 2018 in place of Ms. Gurpreet Kaur Kohli.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 and state that:

- i. In the preparation of Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. We have selected appropriate accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profits of the Company for the year ended on that date.
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. We have prepared the annual accounts on a going concern basis;
- v. We have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

In terms of provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s Rajendar K. Kumar & Associates, Chartered Accountants (Firm Registration No. 010142C), Statutory Auditors in 24th AGM for a period of 5 years till the conclusion of 29th AGM to be held in calendar year 2022 subject to ratification of their appointment at every Annual General Meeting. However, in terms of provisions of Companies (Amendment) Act, 2017, the requirement for ratification of the auditors at every annual general meeting has been dispensed with. Therefore, the shareholders are proposed to dispense with the ratification of the appointment of M/s Rajendar K. Kumar & Associates, Chartered Accountants in subsequent Annual General Meetings.

AUDITORS' REPORT

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

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, the Company has appointed M/s Akshat Garg & Associates, (CP No. 10655), Practising Company Secretaries, Ghaziabad for Secretarial Audit of the Company for the Financial Year 2018-19.

The Secretarial Audit Report for the financial year ended 31st March, 2019 is attached and marked as "Annexure-1" and forms part of the Board Report. The observation made by the Secretarial Auditors in their report are self explanatory

and therefore do not call for any further explanations/comments. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

DETAILS OF DEPOSITS COVERED UNDER SECTION 73 OF THE COMPANIES ACT, 2013

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no unclaimed deposits at the end of Financial Year i.e. 31st March, 2019.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2018-19, the Board of Directors duly met Eight (8) times, details of which are provided in Corporate Governance Report. The maximum interval between any two meetings didn't exceed 120 days, as prescribed in the Companies Act, 2013.

INDEPENDENT DIRECTORS

The Independent Directors of your Company have confirmed that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPOSITION OF AUDIT COMMITTEE

The Company has Audit Committee as per the provisions of Section 177 of Companies Act, 2013 which comprises of three members. Other details about the committee and terms of reference are given in *Corporate Governance Report*.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANY

The Company does not have any Subsidiary and or any Joint Venture Company or Associate Company.

EXTRACT OF ANNUAL RETURN

As per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of the Annual Return is annexed herewith and marked as "Annexure II" to this report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177 of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Vigil Mechanism/ Whistle Blower Policy (the "Policy") which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company. The Mechanism shall enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards lay down herein. Vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases. The aforesaid policy can be accessed on the Company's website www.adharshilcapital.in and weblink of the same is <http://adharshilcapital.in/uploads/policies/vigil-mechanism-policy.pdf>

NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has a Nomination & Remuneration Committee and the details of terms of reference, number and dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, senior managerial personnel and their remuneration. The aforesaid policy can be accessed on the Company's website www.adharshilcapital.in and weblink of the same is <http://www.adharshilcapital.in/uploads/policies/nomination-and-remuneration-policy.pdf>

FORMAL ANNUAL EVALUATION

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board and that of its Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee as well as evaluation of performance of Directors' individually has been carried out. The manner in which the evaluation has been carried out has been explained in the attached Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company being a Non-Banking Finance Company (NBFC), the provision of Section 186 of the Companies Act, 2013 are not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions entered during the year are negotiated on an arms-length basis and are in ordinary course of business. Further, the suitable disclosure as required in AS-18 regarding Related Party transactions has been made in the notes to financial statements. The Company's policy for Related Party Transaction placed it on Company website www.adharshilcapital.in and weblink of the same is <http://adharshilcapital.in/uploads/policies/rpt-policy.pdf>.

PARTICULARS OF EMPLOYEES

Currently, Company is not paying remuneration to any Director/Independent Directors/Non-Executive Directors or Managing Director. Therefore, particulars of employees as required under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be provided in the report. However, the information on employees' particulars 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 AGM. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary of the Company in this regard.

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

Since the company is a Finance and Investment Company and has no manufacturing activity or other operations, Therefore, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not applicable.

There were no foreign exchange earnings or outgoing during the financial year ended 31st March, 2019.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided together with compliance certificate from practicing Company Secretary on the Compliance of the condition of Corporate Governance forms a part of the Report and is given separately annexed and marked as "Annexure-3".

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate Report on Management Discussion and Analysis for the year under review, as stipulated under regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed herewith and marked as "Annexure-4".

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal control relating to the nature of the business of the Company. A note has been provided under Management Discussion and Analysis Report in this regard. The Company has an Audit Committee which ensures proper compliance with the provisions of the Listing Regulations and Companies Act, 2013 and also reviews the adequacy and effectiveness of the internal control.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors confirm that during the year under review, there were no complaints received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Hence no complaint is outstanding as on 31.03.2019 for redressal.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as on date, as the Company does not fall within the purview laid down for the applicability of the provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility.

RISK MANAGEMENT POLICY

The Board review the operations of the organization followed by identifying potential threats to the organization and the likelihood of their occurrence, and appropriate actions to address the most likely threats. However, the elements of risk threatening the Company's existence are very minimal.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which this financial statement relate and on the date of this report.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge their gratitude to the business Associates and Stock Exchange authorities for their continued patronage, assistance and guidance.

**For and on behalf of the Board
ADHARSHILA CAPITAL SERVICES LTD.**

Place : Ghaziabad
Dated : 29.05.2019

**Sd/-
(HARNAND TYAGI)
DIRECTOR, DIN 00159923
R/O: G-232, PATEL NAGAR-III,
GHAZIABAD-201001**

(Annexure – I)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
Adharshila Capital Services Limited
7C, 1st Floor, 'J' Block,
Shopping Centre, Saket,
New Delhi-110017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adharshila Capital Services Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period); and**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) Listing Agreement entered into by the Company with BSE Limited.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

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

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

We further report that during the audit period the company has not undertaken any activities having a major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards, etc.

Disclosure

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

**FOR AKSHAT GARG & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
AKSHAT GARG
M. NO. FCS9161
COP NO. 10655**

Place : Ghaziabad

Date : 29.05.2019

Annexure – A

**[Annexure to the Secretarial Audit Report of M/s. Adharshila Capital Services Limited
for the Financial Year ended 31st March, 2019]**

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

**For AKSHAT GARG & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
AKSHAT GARG
M. NO. FCS9161
COP NO. 10655**

Place : Ghaziabad

Date : 29.05.2019

(Annexure - II)

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS

i	CIN :	L74899DL1993PLC056347
ii	Registration Date :	08-Dec-93
iii	Name of the Company :	Adharshila Capital Services Limited
iv	Category/Sub-category of the Company	Public Limited
v	Address of the Registered office & contact detail	7C, 1st Floor, 'J' Block, Shopping Centre, Saket, New Delhi - 110 017 Contact No. 0120-4152766
vi	Whether listed company :	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Skyline Financial Services Pvt. Ltd. D-153A, 1 st Floor, Okhla Industrial Area Phase-1, New Delhi - 110 020 Tel. : 011-26812682, 83, 011-64732681 to 88 Fax : 011-26812682

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI No	Name & Description of Main Products/Services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other financial service activities, except insurance and pension funding activities.	64990	99.51%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
1	-	-	-	-	-

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	3,055,000	-	3,055,000	55.55	3,055,000	-	3,055,000	55.55	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	340,000	-	340,000	6.18	490000	-	490000	8.91	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
SUB TOTAL(A)(1):	2,533,600	-	2,533,600	67.55	2,533,600	-	2,533,600	67.55	-
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	3,395,000	-	3,395,000	61.73	3,545,000	-	3,545,000	64.45	0.00

ADHARSHILA CAPITAL SERVICES LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	67,500	67,500	1.23	-	-	-	-	-1.23
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	40	1,126,100	1,126,140	20.48	40	262,300	262,340	4.77	-15.71
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	761,400	761,400	13.84	-	1,542,700	1,542,700	28.05	14.21
c) Others (specify)	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	99,960	50,000	149,960	2.73	99,960	50,000	149,960	2.73	0.00
SUB TOTAL (B)(2):	100,000	2,005,000	2,105,000	38.27	100,000	1,855,000	1,955,000	35.55	-2.73
Total Public Shareholding (B)= (B)(1)+(B)(2)	100,000	2,005,000	2,105,000	38.27	100,000	1,855,000	1,955,000	35.55	-2.73
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,495,000	2,005,000	5,500,000	100.00	3,645,000	1,855,000	5,500,000	100.00	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Raj Kumar Adlakha	1,360,000	24.73	NIL	1,360,000	24.73	Nil	Nil
2	Ranjan Adlakha	820,000	14.91	NIL	820,000	14.91	Nil	Nil
3	Amita Adlakha	700,000	12.73	NIL	700,000	12.73	Nil	Nil
4	Shomna Adlakha	100,000	1.82	NIL	100,000	1.82	Nil	Nil
5	Raj Kumar Adlakha, Karta of R.K. & Sons (HUF)	50,000	0.91	NIL	50,000	0.91	Nil	Nil
6	Balram Adlakha	25,000	0.45	NIL	25,000	0.45	Nil	Nil

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
7	Uttam Industrial Engineering Pvt. Ltd.	50,000	0.91	NIL	50,000	0.91	Nil	Nil
8	Uttam Sucrotech Limited	150,000	2.73	NIL	150,000	2.73	Nil	Nil
9	New Castle Finance And Leasing Private Limited	140,000	2.55	NIL	140,000	2.55	Nil	Nil
10	Pariksha Fin-Invest Lease Limited	-	-	NIL	150,000	2.73	Nil	Nil
	Total	3,395,000	61.73	NIL	3,545,000	64.45	Nil	Nil

(iii) Change in Promoters' Shareholding' (Specify if there is no change)

SI No.	Name & Type of Transaction	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) during the year	
		No. of Shares	% of total Shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Raj Kumar Adlakha	1,360,000	24.73	1,360,000	24.73		
2	Ranjan Adlakha	820,000	14.91	820,000	14.91		
3	Amita Adlakha	700,000	12.73	700,000	12.73		
4	Shomna Adlakha	100,000	1.82	100,000	1.82		
5	Raj Kumar Adlakha, Karta of R.K. & Sons (HUF)	50,000	0.91	50,000	0.91		
6	Balram Adlakha	25,000	0.45	25,000	0.45		
7	Uttam Industrial Engineering Pvt. Ltd.	50,000	0.91	50,000	0.91		
8	Uttam Sucrotech Limited	150,000	2.73	150,000	2.73		
9	New Castle Finance and Leasing Private Limited	140,000	2.55	140,000	2.55		
10	Pariksha Fin-Invest Lease Limited	-	-	150,000	2.73	150,000	2.73
	Total	3,395,000	61.73	3,545,000	64.46	150,000	2.73

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

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase/(decrease) during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vimla Devi	-	-	272,000	4.95	272,000	4.95
2	Sanjay Kumar Mishra	-	-	270,000	4.91	270,000	4.91
3	Yogesh Chopra	-	-	160,000	2.91	160,000	2.91
4	Mohammad Naseem	-	-	98,500	1.79	98,500	1.79
5	Mohd Sajid	-	-	97,000	1.76	97,000	1.76
6	Vijaypal	-	-	83,600	1.52	83,600	1.52
7	Anupam Kapil	-	-	78,500	1.43	78,500	1.43
8	Sarfaraj	-	-	76,100	1.38	76,100	1.38
9	Sarika Jain	45,000	0.82	53,000	0.96	8,000	0.15
10	Leela Garg	51,000	0.93	51,000	0.93	-	-

(v) Shareholding of Directors and Key Managerial Personnel

Sl No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the Year		Increase/ (Decrease during the year)	
		No. of Shares	% of total Shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Amita Adlakha	700,000	12.73	700,000	12.73	-	-
2	Rajindar Kumar Khanna	2,200	0.04	2,200	0.04	-	-
3	Harnand Tyagi	20,000	0.36	-	-	(20,000)	(0.36)
4	Joginder Singh Dhikkar	-	-	-	-	-	-
5	Harish Kumar Dhingra	-	-	-	-	-	-
	Total	722,200	13.13	702,200	12.77	(20,000)	(0.36)

(V) INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1,000,000	-	1,000,000
ii) Interest due but not paid	-	297,000	-	297,000
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,297,000		1,297,000
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	(487,000)	-	(487,000)
Net Change	-	(487,000)	-	(487,000)
Indebtedness at the end of the financial year				
i) Principal Amount	-	810,000	-	810,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		810,000		810,000

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole time Directors and/or Manager: NIL
(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors: NIL

(Amount in Rs.)

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

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary cum CFO		
1	Gross Salary		Gurpreet Kaur Kohli	Tushar Malhotra	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	75,000	242,960	317,960.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-

ADHARSHILA CAPITAL SERVICES LIMITED

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary cum CFO		
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	75,000	242,960	317,960.00

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Place : Ghaziabad
Date : 29.05.2019

For and on behalf of the Board of Directors
FOR ADHARSHILA CAPITAL SERVICES LIMITED

Sd/- HARNAND TYAGI DIRECTOR (DIN : 00159923)	Sd/- (AMITA ADLAKHA) MANAGING DIRECTOR (DIN : 00050772)
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(Annexure – III)

CORPORATE GOVERNANCE REPORT 2018-19**1. PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Board of Directors and the Management of Adharshila Capital Services Limited ensure that it endeavors to adopt the best practices on corporate Governance. In this intensive competitive environment, the management and employees of the company are committed to uphold the core values of transparency, integrity, honesty and accountability. The company will continue to focus its resources, strengths and strategies to safeguard the shareholders' wealth and at the same time protect the interests of all its stakeholders.

2. BOARD OF DIRECTORS**(a) Composition of the Board:-**

The Board of the Company comprises of 5 (Five) Directors with One Executive Director and Four Non-Executive Independent Directors. The Board of the Company is duly constituted as per the requirements of Companies Act, 2013 read with rules made there under and Listing Regulations.

All the Directors have given Disclosure of Interest as required and details regarding their directorships and memberships in various Committees across all Public Companies in which they are Directors and Members. The composition and category of Directors of the Company are as follows:

Name of Director	Designation	Category
Mrs. Amita Adlakha	Managing Director	Executive/ Promoter Group
Mr. Rajindar Kumar Khanna	Director	Non-Executive & Independent Director
Mr. Joginder Singh Dhikkar	Director	Non-Executive & Independent Director
Mr. Harnand Tyagi	Director	Non-Executive & Independent Director
Mr. Harish Kumar Dhingra	Director	Non-Executive & Independent Director

All the Independent Directors are Non-Executive and given declaration as per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that they meets the criteria of Independence.

(b) Attendance of Directors

8 (Eight) Board Meetings were held during the financial year 2018-19. The time gap between the two meetings was not more than 120 days.

Attendance of each Director at the Board Meetings, last Annual General Meeting held during the financial year are as follows:

Name of Director(s)	No. of Board Meetings Attended	Last AGM Attended
Mrs. Amita Adlakha	4	Yes
Mr. Rajindar Kumar Khanna	7	Yes
Mr. Joginder Singh Dhikkar	5	Yes
Mr. Harnand Tyagi	8	Yes
Mr. Harish Kumar Dhingra	7	Yes

(c) (i) Number of directorships/memberships in other companies/committees:

Name of Director(s)	No. of Other Directorships ¹ and Committee Memberships/Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mrs. Amita Adlakha	5	–	–
Mr. Rajindar Kumar Khanna	4	–	–
Mr. Joginder Singh Dhikkar	2	–	–
Mr. Harnand Tyagi	6	3	–
Mr. Harish Kumar Dhingra	1	3	–

(ii) Names of the listed entity where the director is a director and the category of directorship

Name of Directors	Name of Listed Entity	Category of Directorship
Mrs. Amita Adlakha	Pariksha Fin-Invest-Lease Limited	Executive/Promoter Group
Mr. H. N. Tyagi	Pariksha Fin-Invest-Lease Limited	Non-Executive & Independent Director
Mr. Harish Kumar Dhingra	Pariksha Fin-Invest-Lease Limited	Non-Executive & Independent Director

(d) Details of Board Meetings held during the year ended 31st March, 2019:

During the Financial Year 2018-19, 8 (Eight) meetings of the Board were held, as follows:

S. No.	Date of Meeting	No. of Directors Present
1.	24 th April, 2018	3
2.	14 th May, 2018	5
3.	14 th June, 2018	3
4.	10 th July, 2018	3
5.	13 th August, 2018	4
6.	29 th October, 2018	3
7.	14 th November, 2018	5
8.	12 th February, 2019	5

(e) Relationships Between Directors

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

(f) Details of Shareholding of Non- Executive Directors in the Company

The details of shareholding of Non- Executive Directors in the Company are as under:-

S. No.	Name of Director	Shareholding
1.	Mr. Rajindar Kumar Khanna	2,200 Equity Shares
2.	Mr. Joginder Singh Dhikkar	NIL
3.	Mr. Harnand Tyagi	NIL
4.	Mr. Harish Kumar Dhingra	NIL

(g) Familiarization Program for Directors

The Company has Familiarization Program Module ("the Program") for Independent Directors ("ID") of ADHARSHILA CAPITAL SERVICES LIMITED ("the Company"). The said programme has been adopted by the Board of Directors pursuant to Securities and Exchange Board of India vide Circular no. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014.

As per the requirement of regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is required to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through this programme. Familiarization Programme for Directors is also placed on the website: www.adharshilacapital.in and can be accessed at this weblink <http://adharshilacapital.in/uploads/policies/independent-director-familiarisation-programme.pdf>.

(h) Skill/Expertise/Competence of the Board of Directors

The company is a Non-Banking Finance Company (NBFC) registered with Reserve Bank of India engaged into the business of giving loans and making investments. The Board requires to have the competences in the field of finance and accountancy, legal matters, RBI compliances and particularly in non banking finance

business. The Board of Directors possesses high experience and expertise in the sector of business the company is carrying. Mrs. Amita Adlakha, Managing Director of the Company belongs to the promoter group and is having exemplary experience in handling the business operations while making the major business decisions. Mr. Harish Kumar Dhingra, Mr. Joginder Singh Dhikkar, Mr. Rajindar Kumar Khanna and Mr. H. N. Tyagi are independent directors in the company. Mr. Harish Kumar Dhingra is a Honors Graduate and Certified Management Accountant having a vast experience of more than 25 years in the field of Finance and Accounting. Mr. Joginder Singh Dhikkar has done Diploma in Mechanical Engineering is having more than 50 years of rich experience in the field of general Administration and Management. Mr. Rajindar Kumar Khanna has done Diploma in Mechanical Engineering is having more than 38 years of rich experience in the field of general Administration and Management. Mr. H. N. Tyagi is a law graduate is having more than 43 years of rich experience in the NBFC business. Overall, the Board is having rich experience and expertise in the field of the company's business.

- (i) In the opinion of the Board the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), 2015 and are independent of the management.
- (j) During the year under review, there were no changes in Directors of the Company.

3. AUDIT COMMITTEE

a) Terms of Reference

A. Role of the audit committee

- In terms of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Audit Committee. The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and interacts with the statutory auditors. Besides, the Committee reviews the observations of the management and internal/ external auditors, interim and annual financial results, Management discussion and analysis of financial condition and results of operations, and related party transactions. The other roles of Audit Committee, inter-alia includes the following:
 - Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Modified opinion in the draft audit report
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

B. The audit committee will review the following information:

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

b) Composition, Name of members and Chairman

The Audit Committee presently comprises of three (3) members and all are Independent Non-executive directors viz. Mr. Rajindar Kumar Khanna as Chairman, Mr. Joginder Singh Dhikkar and Mr. Harish Kumar Dhingra as members.

All the Members are financially literate and possess sound knowledge of accounts, audit, finance etc.

c) Attendance at the meetings of the Audit Committee

During the Financial Year 2018-19, 4 (Four) Audit Committee Meetings were held on 14.05.2018, 13.08.2018, 14.11.2018 and 12.02.2019. The attendances of members are as follows: -

S. No.	Name of Member	Attendance
1.	Mr. Rajindar Kumar Khanna	4
2.	Mr. Joginder Singh Dhikkar	4
3.	Mr. Harish Kumar Dhingra	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

The Audit Committee considered all the points in terms of its reference at periodic intervals.

The Company Secretary acts as Secretary to Audit Committee.

4. NOMINATION & REMUNERATION COMMITTEE

(a) Terms of Reference

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Nomination and Remuneration. The Company's Nomination & Remuneration committee is constituted to look into the following matters:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the Board, all remuneration payable to senior management

(b) Composition, Name of members and Chairman

The Nomination & Remuneration Committee presently comprises of 3 (Three) Non-executive Independent directors viz. Mr. Rajindar Kumar Khanna as Chairman, Mr. Harnand Tyagi and Mr. Harish Kumar Dhingra as members to look into the matter relating to payment of remuneration to the Directors.

(c) Attendance at the meetings of the Nomination & Remuneration Committee:-

During the Financial Year 2018-19, 2 (Two) Nomination and Remuneration Committee Meetings were held on 14th June, 2018 and 10th July, 2018 The attendances of members are as follows: -

S. No.	Name	Attendance
1.	Mr. Rajindar Kumar Khanna	2
2.	Mr. Harnand Tyagi	2
3.	Mr. Harish Kumar Dhingra	1

(d) Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the performance evaluation of its own performance and of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee as well as evaluation of performance of Directors' individually including independent directors.

The performance evaluation of the Board and its committees was carried out as per the policy framed by it including size, structure and expertise, effectiveness in discharge of its function and duties, willingness to spend time and effort in discharge of its duties, etc.

The performance evaluation for independent directors was carried out by the Committee as per the criteria framed by it including their participation in the meeting, deployment of knowledge and expertise, independence of behavior and judgement. The criterion framed by Nomination and Remuneration committee was also duly adopted by the Board. The committee also reviewed the declaration received from the

ADHARSHILA CAPITAL SERVICES LIMITED

Independent Directors of the Company and confirmed that none of the Directors becomes disqualified under the Companies Act, 2013, rules made there under and under Listing Regulations. The Report on Performance Evaluation as prepared by the committee was submitted to the Board for adoption.

5. REMUNERATION OF DIRECTORS

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination & Remuneration committee reviews the policy time to time. The Company is not paying any Remuneration to its directors due to inadequacy of income/profit.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Terms of reference:

The Company has Stakeholders' Relationship Committee/ Stakeholders' Grievance Committee pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Stakeholders' Relationship committee is constituted to look into the following matters:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non receipt of annual report, non receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the Financial Year 2018-19, 4 (Four) committee meetings were held.

b) Details of Composition and attendance at the meeting of Stakeholders' Relationship Committee

S.No.	Name of Member	Category	Meetings Attended
1.	Mr. Rajindar Kumar Khanna	Chairman (Non-executive Independent Director)	4
2.	Mr. Harnand Tyagi	Member (Non-executive Independent Director)	4
3.	Mr. Joginder Singh Dhikkar	Member (Non-executive Independent Director)	4

- c) Presently, Mr. Tushar Malhotra, Company Secretary is the Compliance Officer of the Company w.e.f. 10th July, 2018 for complying with the requirements of SEBI Regulations and Listing Agreement entered with the Stock Exchange. He address and contact details are as given below: -

Address:

7C, 1st Floor, 'J' Block Shopping Centre,
Saket, New Delhi-110 017
Telephone No: 0120-4152766
Email id: adharshilacapital@gmail.com

- d) During the year 2018-19, no complaint was received from Shareholders / Investors. Share transfer requests received during the year 2018-19 have been acted upon by the company in compliance with the applicable provisions.

7. GENERAL BODY MEETINGS

a) Details of Last Three Annual General Meetings

The details of Annual General Meetings held in the last 3 years are as under:

Meeting	Year	Venue of AGM	Time	Special Resolution Passed
23 rd AGM	19.08.2016	Shree Agrasen Bhawan, Vivek Vihar, Delhi-95	12.30 p.m.	Alteration in the MOA and adoption of new sets of AOA as per Companies Act, 2013
24 th AGM	14.07.2017	Shree Agrasen Bhawan, Vivek Vihar, Delhi-95	12.00 p.m.	NIL
25 th AGM	20.07.2018	Shree Agrasen Bhawan, Vivek Vihar, Delhi-95	12.00 p.m.	NIL

b) Special Resolution Passed Through Postal Ballot

During the current financial year the Company had not passed any Special Resolution through Postal Ballot.

No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 26th July, 2019.

8. MEANS OF COMMUNICATION

The Company has published Quarterly Un-audited / Annual Audited Financial results, notices, advertisements and other official news in the "The Financial Express" (English) and "Jansatta" (vernacular language) regularly. The results are also displayed/uploaded on the Company's website: www.adharshilacapital.in.

9. GENERAL SHAREHOLDER INFORMATION

a)	AGM Date, time and venue	Friday, 26 th July, 2019 at 12.00 noon at Shree Agrasen Bhawan" Vivek Vihar, Delhi-110095
b)	Financial Year	1 st April, 2018 to 31 st March, 2019
	Financial Calendar 2019-20 (Tentative Schedule) Results for quarter/year ending : (a) 30 th June, 2019 (b) 30 th September, 2019 (c) 31 st December, 2019 (d) 31 st March, 2020	On or before 14 th day of August, 2019 On or before 14 th day of November, 2019 On or before 14 th day of February, 2020 Before end of 30 th day of May, 2020
	Book Closure Date	Saturday 20 th July, 2019 to Friday, 26 th July, 2019 (both days inclusive).
(c)	Dividend Payment Date	N.A.
(d)	Listing on Stock Exchange	BSE Limited, 1 st Floor, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Note: Your Company has already paid the Listing fees to the Stock Exchange for the F.Y. 2018-19 & F.Y. 2019-20.
(e)	Stock Code	539493

f) Market Price Data High/Low During each month of the Financial Year 2018-19

No shares were traded during the reporting period. Therefore, we are not providing the details of the trading (High & Low) in this Annual report.

g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc

Not Applicable, since the equity shares of the Company were not traded during the reporting period.

h)	Suspension from Trading	There was no suspension of trading of equity shares of the Company ordered by BSE.
i)	Registrars and Share Transfer Agents (for physical & demat shares)	M/s Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Phase-1, Okhla Industrial Area, New Delhi - 110 020 Phone no: 011-30857575 (10 Lines) Fax: 011-30857562 E-Mail: admin@skylinerta.com Website: http://www.skylinerta.com
j)	Share transfer system	Physical Shares, which are lodged with the Company/ Registrar for transfer are processed and returned to the shareholder within the period as prescribed under relevant Acts.

k) Distribution of Shareholding (As on march 31, 2019)**(i) On the basis of Category:**

Category	No. of Shares Held	Percentage to total shares held
A. Shareholding of Promoter & Promoter Group		
1. Indian		
(a) Individuals/HUFs	30,55,000	55.55
(b) Bodies Corporate	4,90,000	8.90
Sub total	35,45,000	64.45
2. Foreign	–	–
Total Shareholding of Promoter & Promoter Group	35,45,000	64.45
B. Public Shareholding		
1. Institutions	–	–
Sub total	–	–
2. Non-Institutions		
(a) Bodies Corporate	–	–
(b) Individuals		
(i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	2,62,340	4.77
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	15,42,700	28.05
(c) Any other (specify) (HUF)	149,960	2.73
Sub total	19,55,000	35.55
Total Public Shareholding	19,55,000	35.55
GRAND TOTAL	55,00,000	100.00

(ii) On the basis of Shares held:

No of Equity Shares held (Range)	No. of Shareholders	Percentage of total Share Holders	No. of Shares held	Percentage to total shares held
Upto 500	155	46.41	770400	1.4
501-1000	96	28.74	960000	1.75
1001-2000	44	13.17	659000	1.2
2001-3000	4	1.2	101000	0.18

No of Equity Shares held (Range)	No. of Shareholders	Percentage of total Share Holders	No. of Shares held	Percentage to total shares held
3001-4000	2	0.6	73000	0.13
4001-5000	0	0	0	0
5001-10000	1	0.3	60000	0.11
10001 & above	32	9.58	52376600	95.23
TOTAL	334	100	55000000	100

l) Dematerialization of shareholding and liquidity	Consequent upon compulsory Demat of the Equity Shares of the Company as notified by SEBI, about 66.27% of the Equity Share Capital of the Company has been dematerialized as on 31 st March, 2019. The Company has appointed M/s Skyline Financial Services Pvt. Ltd., D-153/A, 1st Floor, Phase-1, Okhla Industrial Area, New Delhi - 110 020 as common agency for share registry work.
m) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments	The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments, which are pending for conversion.
n) Commodity price risk or foreign exchange risk and hedging activities	Nil
o) Plant locations	N.A.
p) Address for correspondence	Registrar & Share Transfer Agent (For Dematerialisation and Share Transfer related query) M/s Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Phase-1, Okhla Industrial Area, New Delhi - 110 020 Phone no: 011-30857575 (10 Lines) Fax: 011-30857562 E-Mail: admin@skylinerta.com Website: http://www.skylinerta.com Company (for Annual Report and any other related matters) Company Secretary, Adharshila Capital Services Limited, Corporate Office : C/o Uttam Toyota, A-11, Meerut Road Industrial Area, Ghaziabad – 201 003.
q) Credit ratings obtained by the company	Not applicable

10. DISCLOSURE

- There have been no materially significant related party transactions which may have potential conflict with the interests of the Company at large.
- There have been no instances of non-compliance with any of the legal provisions of law made by the Company nor any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.
- The Company has in place vigil mechanism and whistle blower policy under which employees can report any violations of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Listing Regulations.
- The company does not have any Subsidiary Company. Therefore, policy for determining 'material' subsidiaries is not required to be framed.

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- f) The Company has in place Policy for Related Party Transaction and the same is placed on Company's website i.e. www.adharshilacapital.in and web link of the same is <http://www.adharshilacapital.in/uploads/policies/rpt-policy.pdf>.
- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.
- j) There are no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.
- k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is Rs. 48,970/-.
- l) There were no complaints filed/pending/disposed of in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year in concern.
- m) A qualified Practicing Company Secretary has carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd, (NSDL) and Central Depository Services (India) Ltd, (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10):

It is to confirm that the Company has not incurred any non compliance of any information contained in this Corporate Governance Report.

12. ADOPTION OF REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II:

As specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, following requirement has been adopted by the Company:

- The Internal Auditor may report directly to the Audit Committee.

13. The Company has duly complied with all the requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- (b) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL
- (c) Number of shareholders to whom shares were transferred from suspense account during the year: NIL
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

15. RISK MANAGEMENT COMMITTEE OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Risk Management Committee (RMC) comprises of three (3) members. The objective of the committee is to create and protect shareholder value by minimizing threats or losses, identifying and maximizing opportunities. The Risk Management Committee monitors and reviews the Risk Management Plan and its Risk Mitigation and reporting the same to the Board of Directors periodically as it may deem fit.

16. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following 4 (Four) Independent Directors:

- i) Mr. Rajindar Kumar Khanna
- ii) Mr. Joginder Singh Dhikkar
- iii) Mr. Harnand Tyagi
- iv) Mr. Harish Kumar Dhingra

Meeting of Independent Directors

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened during the year to oversee and review the performance of Non Independent Directors and of the Board as a whole.

17. MANAGEMENT DISCUSSION AND ANALYSIS

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

18. CEO/CFO CERTIFICATION

Mrs. Amita Adlakha, Managing Director and Mr. Tushar Malhotra, Chief Financial Officer of the Company have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

19. COMPLIANCE CERTIFICATION

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

20. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. www.adharshilacapital.in.

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

The Shareholders,

I, Amita Adlakha, Managing Director, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with code of conduct of the Company during the financial year ended 31st March, 2019.

Place : Ghaziabad
Date : 29.05.2019

Sd/-
(AMITA ADLAKHA)
MANAGING DIRECTOR
(DIN : 00050772)

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Adharshila Capital Services Limited
7C, 1st Floor, 'J' Block Shopping Centre
Saket, New Delhi-110017

We have examined the compliance of the conditions of Corporate Governance by Adharshila Capital Services Limited for the year ended on 31st March, 2019 as stipulated in Regulation 27(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

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

For AKSHAT GARG & ASSOCIATES
Company Secretaries
(C. P. No. - 10655)

Sd/-
Akshat Garg
Proprietor
Membership No. – FCS9161

Place : Ghaziabad
Date : 29.05.2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India
(Listing Obligations and Disclosure Requirement) Regulations, 2015 read with
Regulation 34(3) of the said Listing Regulations)

**To the Members of
Adharshila Capital Services Limited
7-C, 1st Floor, J Block Shopping Centre,
Saket, New Delhi-110017**

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we certify that none of the directors on the board of **Adharshila Capital Services Limited** have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For AKSHAT GARG & ASSOCIATES
Company Secretaries
(C. P. No. - 10655)**

**Sd/-
Akshat Garg
Proprietor
Membership No. – FCS9161**

Place : Ghaziabad

Date : 29.05.2019

CEO/CFO CERTIFICATION – FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

**To the Members of
Adharshila Capital Services Limited
7-C, 1st Floor, J Block Shopping Centre,
Saket, New Delhi-110017**

We, Amita Adlakha, Managing Director and Mr. Tushar Malhotra, company Secretary cum Chief Financial Officer of Adharshila Capital Services Limited on the basis of the review of the Financial Statements for the Financial Year ended 31st March, 2019 and to the best of our knowledge and belief, hereby certify that:-

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

For ADHARSHILA CAPITAL SERVICES LIMITED

Sd/- TUSHAR MALHOTRA CHIEF FINANCIAL OFFICER (PAN: BFEPM0377J)	Sd/- AMITA ADLAKHA MANAGING DIRECTOR (DIN : 00050772)
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Place: Ghaziabad

Date: 29.05.2019

ANNEXURE – ‘IV’

MANAGEMENT DISCUSSION AND ANALYSIS

BACKGROUND

Adharshila Capital Services Limited (ACSL) is a Non-Banking Finance Company (“NBFC”), holding a Certificate of Registration from the Reserve Bank of India (“RBI”). The ACSL is non deposit accepting NBFC engaged in financial services. The ACSL is an entity of Uttam Group. The Company has its registered office in Delhi and Corporate office at Ghaziabad.

GLOBAL ECONOMY

The World Bank forecasts global economic growth is expected to 3.0 percent in 2019 however, the steady pace of expansion in the global economy masks an increase in downside risks that could potentially exacerbate development challenges in many parts of the world, according to the World Economic Situation and Prospects 2019.

In a report world bank said India’s Gross Domestic Product (GDP) will grow by 7.3 percent in Financial Year 2018-19 and 7.5 percent thereafter, in line with forecasts. Private consumption is projected to remain robust and investment growth is expected to continue as the benefits of recent policy reforms begin to materialize and credit rebounds. The World Bank reasons that this is a result of increased consumption and investment.

The fact is that Indian economy is being able to deliver growth slightly above its potential is a very good sign. However, it has projected a brighter picture for India and the South Asian region.

INDIAN ECONOMY

It is said in India the introduction of the GST and steps towards demonetization are expected to encourage a shift from the informal to formal Sector. India’s GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from to 175 GW by 2022.

INDUSTRIAL STRUCTURE AND DEVELOPMENTS

Non-Banking Finance Companies (NBFCs) play an important role in promoting inclusive growth in the country, by catering to the diverse financial needs of various categories. Further, NBFCs often take lead role in providing innovative financial services to Micro, Small, and Medium Enterprises (MSMEs) most suitable to their business requirements. NBFCs are engaged in maturity transformation and core banking functions. The operations carried out by the NBFCs merely aid threat to growing market thereby leading to the economic development respectively.

In the present scenario of financial situation, there is a huge need for NBFC as the banks alone cannot sufficiently fulfill the needs of the society. There is a wide range of services provided by NBFCs such as providing loans, investments, equipment finance, hire-purchase finance, housing finance, and various other things.

Non Banking Financial Companies (NBFCs) are governed by the Reserve Bank of India vide powers conferred under chapter III- B of Reserve Bank of India Act, 1934.

In the present economic system, Non-Banking Financial Companies are playing a significant role in providing accessible and affordable financial services. The NBFCs are becoming a vital player in financial inclusions indirectly boosting the economy. These companies majorly focus on the business of loans, acquisition of shares, stocks, bonds, debentures and securities allotted by the government, local authority or by other market securities.

OPPORTUNITIES & THREATS

The NBFC sector in India is large with significant growth potential and has consistently created value for its shareholders. It is true that the difference between commercial banks and NBFCs is getting increasingly blurred as NBFCs are today present in almost all the segments of financial sector save cheque issuance and clearing facility. NBFCs are now recognized as complementary to the banking system capable of absorbing shocks and spreading risks at times of financial distress. The Reserve Bank of India (RBI) also recognizes them as an integral part of the financial system and is trying to improve the credibility of the entire sector. New opportunities like home equity, credit cards, personal finance, etc, are expected to take NBFCs to a new level. Growth in all these segments is sustainable at a higher rate than before given the low penetration and changing demography in the country.

ADHARSHILA CAPITAL SERVICES LIMITED

NBFCs are present where the risk is higher (and hence the returns), reach is required (strong last-mile network), recovery has to be the focus area, loan-ticket size is small, appraisal & disbursement has to be speedy and flexibility in terms of loan size and tenor is required.

As the Company's main motive is to provide financing facilities within the Group, Company is not having internal or external threat. But still the service offerings by NBFCs are almost the same as Banks. Thus there is a low level of service differentiation. The Company needs to diversification in work to adopt the constant changes in regulations and competitive landscape.

FINANCIAL PERFORMANCE

During the year under review, the company has incurred a profit after tax of Rs. 928,974 as against the loss of Rs. 12,81,119/- in the previous year.

RESOURCES AND LIQUIDITY

During the Financial Year 2018-19, no fund has been raised by Adharshila Capital Services Limited (ACSL) from market by way of public deposits. There were no allotment of shares / debentures or other securities have been made during the financial year.

REVIEW OF OPERATIONS OF THE COMPANY:

Adharshila Capital Services Limited (ACSL) has invested Rs. 4,48,22,077/- in the Securities of other body corporates as on March 31, 2019. Adharshila Capital Services Limited (ACSL) aims at better returns by a good asset quality and asset mix to achieve good returns.

OUTLOOK

NBFCs have played a critical role as a key contributor to the economy by providing a fillip to infrastructure, employment generation, wealth creation and access to financial services for the rural and weaker sections of society. The health and success of the NBFC sector has far-reaching implications on the inclusive development of the economy, financial inclusion of diverse population segments, capital formation and eventually the growth in GDP.

NBFCs are now reaching out to Tier-2, Tier-3 and Tier-4 markets, distributing the loan across several customer touch-points. Furthermore, they are also building a connected channel experience, that provides an omni-channel, seamless experience with 24/7 sales and service. The ACSL explore the opportunities available in the market and other financial areas. With the consumer of today evolving and accessing digital media like never before, NBFCs have embarked on new and better ways to engage with the customer.

RISK MANAGEMENT

Risk is present in any industry and differs only in terms of the level in which it obtains across industries. Hence, risk management is undertaken by the industry concerned by putting in place the right mechanism to mitigate risk if not eliminate risk. The Board has a committee with the name "Risk Management Committee" as per the requirement of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Risk Management Committee is responsible for monitoring and reviewing of the risk and taking steps to mitigate the same.

Due to the nature of the business and the concerned fast changing business scenario, volatile condition of Stock Market, Adharshila Capital Services Limited (ACSL) is exposed to specific risks including interest rate volatility, economic cycle and market risk and risk arising from change of laws/regulations. With proper operational systems in place, the Company successfully manages these risks which also help in achieving the desired outcome.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate system of internal controls for business processes, operations, financial reporting, fraud control, and compliance with applicable laws and regulations, among others. These internal control and systems are devised as part of the principles of good governance; and are accordingly implemented within the framework of proper check and balances. Your Company ensures that a reasonably effective internal control framework operates throughout the organization, which provides assurance about safeguarding the assets, reliability of financial and operational information, compliance with applicable statues, execution of transactions as per the authorization and compliance with the internal policies of the Company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

The Company's Human Resources philosophy is to establishes human relations at all levels in the organization and helps in the maximum development of personnel abilities so that they may feel satisfied with their work. Adharshila

Capital Services Limited (ACSL) endeavors to offer favourable workplace of a best in class standard. To ensure that an effective and the right resource are selected, your Company endeavors to strengthen its hiring mechanism. The Company values human development as one of the cardinal principle in the growth of the Company.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Ratios are used to make a holistic assessment of financial performance of the entity, and also help evaluating the entity's performance vis-à-vis its peers within the industry. The NBFC sector is growing rapidly with borrowings comprising the largest source of funding. The financial performance of NBFC-D and NBFC-ND-SI sector has shown a consistent year-to-year growth in the financial ratios over the last few years.

The key financial ratios of the company for F.Y. 2018-19 have shown improvements due to increase in the revenue of the company while the liability has decreased during the year in concern. The Company has no Non-Performing Assets (NPA), hence ratios related to NPAs are not applicable. The significant changes in the other applicable key financial ratios are as follows:

Name of Ratios	F.Y. 2018-19	F.Y. 2017-18	Change (%)	Reasons for change
Current Ratio	11.10	7.38	50.41%	Reduction in current liabilities and increase in current assets
Debt Equity Ratio	0.02	0.03	(33.33)%	Repayment of borrowings
Net Profit Margin	37.66	(41.68)	190%	Increase in profit

CHANGE IN RETURN ON NET WORTH AS COMPARED TO PREVIOUS YEAR

Return on Net Worth (RONW) is a measure of profitability of a company expressed in percentage. Return on Net Worth for the financial year 2018-19 is 4.96% while the Return on Net Worth for the financial year 2017-18 is 4.06%. The improvement in Return on Net Worth is mainly due to the increase in revenue of the company while the shareholders' equity has remained the same. The company is making continuous effort to make optimum utilization of the shareholders' fund and perform better in the time to come.

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis (MDA) Report may contain certain forward-looking statements based on our projections and assumptions on the Company's present and future business strategies.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ADHARSHILA CAPITAL SERVICES LIMITED

Opinion

We have audited the financial statements of **Adharshila Capital Services Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters are selected from matters communicated with those charged with governance, but are not intended to represent all matters that were discussed with them. The auditor's procedures relating to these matters are designed in the context of the audit of the financial statements as a whole. However, there are no Key audit matters to report.

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 Annexure to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of 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:

As the Company is not providing any managerial remuneration, provisions of section 197 of the Act are not applicable to it.
 - 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 did not have any pending litigations, which would have material impact on its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. Further, as required by 'Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016', we further state that we have submitted a separate report to the Board of Directors of the Company on the matters specified in said directions as under:-
 - a) The company applied for registration as provided in section 45IA of the Reserve Bank of India Act, 1934 and has obtained certificate of registration from the Reserve Bank of India.
 - b) The Company is entitled to continue to hold the Certificate of Registration in terms of its asset/income pattern as on 31st March, 2019.
 - c) The Board of Directors of the company has passed a resolution for non – acceptance of any public deposits.
 - d) The company has not accepted any public deposit during the year under reference.
 - e) The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning of bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

- f) The Company has requisite Net Owned Fund as required by Master direction –Non Banking Financial Company – Non systemically Important Non-Deposit taking Company (Reserve Bank) Direction, 2016.

For RAJENDAR K. KUMAR & ASSOCIATES
Chartered Accountants,
FRNo. 010142C

Sd/-
R.K. KUMAR
Proprietor
M.No. 071803

Place : Ghaziabad
Dated : 29.05.2019

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date on the accounts of **Adharshila Capital Services Limited** for the year ended on 31st March, 2019.

As required by the Companies (Auditors Report) Order, 2016 issued by the Government of India in terms of section 143(11) of the Act and on the basis of such checks as we considered appropriate and as per information and explanations given to us, we report that:-

1.
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The fixed assets of the company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
 - c) The company does not hold any immovable property.
2. The inventory of the company comprises equity shares, which are in dematerialized form, and which have been verified by the management with reference to holding statement from depository participant. In our opinion, the procedure of verification of inventory followed by the management is satisfactory. Further, the company is maintaining proper records of its inventory and no discrepancies were noticed on verification.
3.
 - a) According to information made available to us, the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Act and in our opinion the terms and conditions of such loans are not prejudicial to the company's interest.
 - b) As per the information and explanation given to us, the said loans are repayable on demand.
 - c) As per the information and explanation given to us, no amount is overdue for more than ninety days towards principal as well as interest.
4. On the basis of information and explanation given to us and on our scrutiny of company's records, we report that the Company has not entered into any transaction covered under the provisions of section 185 of the Companies Act, 2013. Further, the provisions of section 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees, and security made by the company.
5. On the basis of information and explanation given to us and on our scrutiny of company's records, in our opinion, the company has not accepted any deposits from the public.
6. To the best of our knowledge and belief and according to information given to us, Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 to the Act for any of the activities of the Company.
7. (a) According to the information and explanation given to us the company is generally regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. Further, there were no arrears of undisputed statutory dues outstanding as at last day of the financial year concerned for a period of more than six month from the date they became payable.

ADHARSHILA CAPITAL SERVICES LIMITED

- (b) According to the information and explanations given to us, there are no such dues, as stated above, which have not been deposited on account of any dispute.
8. Based on our examination and according to the information and explanations given to us, the company has not taken any loans from any financial institution, bank or Government. The company has not issued any debentures.
 9. According to the information and explanations given to us, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
 10. Based on audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.
 11. To the best of our knowledge and belief and according to information given to us, the Company has not given any managerial remuneration during the year under review.
 12. The company is not a Nidhi Company.
 13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 and the details of such transactions have been properly disclosed in the financial statements as required by the applicable accounting standards.
 14. According to the information made available to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
 15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
 16. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been duly obtained.

For RAJENDAR K. KUMAR & ASSOCIATES
Chartered Accountants,
FRNo. 010142C

Sd/-
R.K. KUMAR
Proprietor
M.No. 071803

Place : Ghaziabad
Dated : 29.05.2019

ANNEXURE 'B' TO THE AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Adharshila Capital Services Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For RAJENDAR K. KUMAR & ASSOCIATES
Chartered Accountants,
FRNo. 010142C

Sd/-
R.K. KUMAR
Proprietor
M.No. 071803

Place : Ghaziabad
Dated : 29.05.2019

BALANCE SHEET AS AT 31ST MARCH 2019

(Amount in Rs.)

Particulars	Note No.		As at 31.03.2019 Amount (Rs.)		As at 31.03.2018 Amount (Rs.)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	55,000,000		55,000,000	
(b) Reserves and Surplus	3	<u>3,025,097</u>	58,025,097	<u>2,096,123</u>	57,096,123
(2) Current Liabilities					
(a) Short-Term Borrowings	4	810,000		1,000,000	
(b) Trade Payables	5				
Due to Micro and Small Enterprises		-		-	
Due to Others		27,000		37,342	
(c) Other Current Liabilities	6	113,500		315,081	
(d) Short term Provision	7	<u>177,455</u>	1,127,955	<u>270,900</u>	1,623,323
Total			<u>59,153,052</u>		<u>58,719,446</u>
II. ASSETS					
(1) Non Current Assets					
(a) Fixed Assets	8				
Tangible Assets		56,369		70,134	
(b) Non-Current Investments	9	44,822,077		44,824,000	
(c) Deferred Tax Assets (Net)	10	<u>1,752,448</u>	46,630,894	<u>1,850,887</u>	46,745,021
(2) Current Assets					
(a) Inventories	11	126,399		69,667	
(b) Cash and Cash Equivalents	12	608,725		561,547	
(c) Short-Term Loans and Advances	13	10,500,000		10,500,000	
(d) Other Current Assets	14	<u>1,287,034</u>	12,522,158	<u>843,211</u>	11,974,425
TOTAL			<u>59,153,052</u>		<u>58,719,446</u>

Statement on Significant Accounting Policies and Notes to the Financial Statements are an Integral part of this Balance Sheet. (1 to 32)

As per our report of even date attached for RAJENDAR K. KUMAR & ASSOCIATES Chartered Accountants FRNO. 010142C

Sd\
R.K. KUMAR
Proprietor
Membership No.71803

Sd\
Managing Director

Sd\
Director

Sd\
Company Secretary & CFO

Place : Ghaziabad

Date : 29th May, 2019

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

Particulars	Note No.	For the year ended 31.03.2019 Amount (Rs.)	For the year ended 31.03.2018 Amount (Rs.)
I. Revenue from Operations	15	2,728,105	2,230,779
II. Other Income		-	-
III. Total Revenue (I+II)		2,728,105	2,230,779
IV. Expenses:			
Purchases of Stock-in-Trade	16	63,724	753,250
Changes in Inventories of Stock-in-Trade	17	(56,732)	91,134
Employee Benefits Expense	18	602,021	1,068,891
Finance Cost	19	110,000	110,000
Depreciation and Amortization Expense	8	13,765	21,246
Loan Provisions	20	(243,019)	244,650
Other Expenses	21	1,210,933	871,333
Total Expenses		1,700,692	3,160,504
V. Profit before tax (III - IV)		1,027,413	(929,725)
VI. Tax Expense:			
(1) Current Tax		149,574	-
(2) MAT Credit Entitlement		(149,574)	-
(3) Deferred Tax		98,439	283,059
VII. Profit (Loss) for the period (V - VI)		928,974	(1,212,784)
VIII. Prior Period Items		-	(68,335)
IX. Profit/(Loss) carried to Balance Sheet		928,974	(1,281,119)
X. Earnings per Equity Share (Refer Note 26)			
(1) Basic		0.17	(0.23)
(2) Diluted		0.17	(0.23)

Statement on Significant Accounting Policies and Notes to the Financial Statements are an Integral part of this Profit & Loss Statement.

As per our report of even date attached for RAJENDAR K. KUMAR & ASSOCIATES

Chartered Accountants

FRNO. 010142C

Sd\
R.K. KUMAR
Proprietor
Membership No.71803

Sd\
Managing Director

Sd\
Director

Sd\
Company Secretary & CFO

Place : Ghaziabad

Date : 29th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in lacs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	1,027,413	(929,725)
Adjustments for:		
Depreciation	13,765	21,246
Earlier year's adjustments	-	(68,335)
Effect of Deferred Taxes & Current Taxes	(98,439)	(283,059)
Loss on Sale of Fixed Assets	-	(330,148)
Operating profit before working capital change	942,739	(1,259,873)
Adjustments for :		
Inventories	(56,732)	91,134
Loans & Advances	-	-
Other Current Assets	(443,823)	100,239
Trade Payable	(10,342)	(12,500)
Current Liabilities & Provisions	(295,026)	350,731
Cash generated from operations	136,816	(730,269)
Direct Taxes paid /provided	-	-
Net Cash from Operating Activities (a)	136,816	(730,269)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Purchase of investments	(33,900,000)	(3,300,000)
Proceeds from Sale/redemption of investments	33,901,923	500,000
Net Cash used in Investing Activities (b)	1,923	(2,800,000)
CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from issue of share capital	-	-
Deferred Tax Assets (Net)	98,439	283,059
Long Term Loans & Advances	-	-
Unsecured Loan taken	(190,000)	-
Net cash from/(used in) financing activities (c)	(91,561)	283,059
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)	47,178	(3,247,210)

ADHARSHILA CAPITAL SERVICES LIMITED

Particulars	(Amount in Rs.)			
	Year ended 31.03.2019		Year ended 31.03.2018	
Cash and cash equivalents at beginning of the year components being:				
Cash on hand	69,052		155,053	
Balances with banks on current, margin and fixed deposit account	<u>492,495</u>	<u>561,547</u>	<u>3,653,704</u>	3,808,757
Cash and cash equivalents at end of the year the components being :				
Cash on hand	512,710		69,052	
Balances with banks on current, margin and fixed deposit accounts	<u>96,015</u>	<u>608,725</u>	<u>492,495</u>	561,547
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>47,178</u>		<u>(3,247,210)</u>

As per our report of even date attached
for **RAJENDAR K. KUMAR & ASSOCIATES**
Chartered Accountants
FRNO. 010142C

Sd\
R.K. KUMAR
Proprietor
Membership No.71803

Sd\
Managing Director

Sd\
Director

Sd\
Company Secretary & CFO

Place : Ghaziabad

Date : 29th May, 2019

Notes to the Financial Statement for the year ended 31st March, 2019**Note 1****Company Information**

The company was incorporated on 08.12.1993 vide CIN No. L74899DL1993PLC056347. The registered office of the company is located at 7C, 1st Floor, J Block, Shopping Centre, Saket, New Delhi. The Company is engaged in the business of Loans & Investments and registered with RBI as NBFC.

Note 2**Share Capital**

	<u>As at 31.03.2019</u>		<u>As at 31.03.2018</u>	
	<u>Number</u>	<u>Amount (Rs.)</u>	<u>Number</u>	<u>Amount (Rs.)</u>
Authorised Equity Shares of Rs. 10/- each	6,200,000	62,000,000	6,200,000	62,000,000
<u>Issued, Subscribed & Paid up</u> Equity Shares of Rs. 10/- each	5,500,000	55,000,000	5,500,000	55,000,000
Total	5,500,000	55,000,000	5,500,000	55,000,000

- a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	<u>As at 31.03.2019</u>		<u>As at 31.03.2018</u>	
	<u>Number</u>	<u>Amount (Rs.)</u>	<u>Number</u>	<u>Amount (Rs.)</u>
Shares outstanding at the beginning of the year	5,500,000	55,000,000	5,500,000	55,000,000
Shares outstanding at the end of the year	5,500,000	55,000,000	5,500,000	55,000,000

- b) Terms/Rights attached to Equity Shares

The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors, if any, is subject to the approval of shareholders in Annual General Meeting except in the case of interim dividend. In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion of number of equity shares held by the shareholders.

- c) Shareholders holding more than 5 percent shares

Particulars	<u>As at 31.03.2019</u>		<u>As at 31.03.2018</u>	
	<u>Name of Shares held</u>	<u>% of Holding</u>	<u>No. of Shares held</u>	<u>% of Holding</u>
Shri Raj Kumar Adlakha	1,360,000	24.73	1,360,000	24.73
Shri Ranjan Adlakha	820,000	14.91	820,000	14.91
Smt. Amita Adlakha	700,000	12.73	700,000	12.73

Notes on Financial Statements for the Year Ended 31st March 2019

	(Amount in Rs.)	
	As at 31.03.2019 Amount (Rs.)	As at 31.03.2018 Amount (Rs.)
Note - 3		
Reserves and Surplus		
a) Reserve Fund		
(in terms of Section 45-IC of RBI Act, 1934)		
As per last Balance Sheet	1,418,900	1,418,900
Add : Transfer from Profit & Loss Statement	185,800	–
	1,604,700	1,418,900
b) Surplus in Profit & Loss Statement		
As per last Balance Sheet	677,223	1,958,342
Add: Net Profit/(Net Loss) for the Current Year	928,974	(1,281,119)
Less: Transfer to Reserve Fund	(185,800)	–
	1,420,397	677,223
Total	3,025,097	2,096,123
Note - 4		
Short Term Borrowings		
Unsecured		
Loans and advances from related parties (Refer Note 27)	810,000	1,000,000
Total	810,000	1,000,000
<u>Terms & Conditions</u>		
Unsecured loans are repayable on demand.		
Note - 5		
Trade Payables (Refer Note 25)		
Trade Payables - due to micro enterprises & small enterprises	–	–
Trade Payables - due to Others	27,000	37,342
Total	27,000	37,342
Note - 6		
Other Current Liabilities		
a) Interest accrued and due on borrowings from Related Party (Refer Note 27)	–	297,000
b) Statutory Dues	13,500	18,081
c) Others	100,000	–
Total	113,500	315,081
Note - 7		
Short Term Provisions		
Provision of Income Tax	149,574	–
Provision for Non - Performing Assets	–	250,000
Contingent Provision for Standard Assets	27,881	20,900
Total	177,455	270,900

Notes on Financial Statements for the Year Ended 31st March 2019

(Amount in Rs.)

Note -8

Fixed Assets

S. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 31.03.2018	Additions	Sale	As at 31.03.2019	Upto 31.03.2018	For the year	Adjustment	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
	Tangible Assets										
1)	Furniture & Fixtures	50,975	-	-	50,975	48,428	-	-	48,428	2,547	2,547
2)	Office Equipments	196,584	-	-	196,584	139,694	13,765	-	153,459	43,125	56,890
3)	Computers	194,965	-	-	194,965	185,217	-	-	185,217	9,748	9,748
4)	Air Conditioner	19,000	-	-	19,000	18,051	-	-	18,051	949	949
	Total (Rupees)	461,524	38,433	-	461,524	391,390	13,765	-	405,155	56,369	70,134
	Previous Year (Rupees)	461,524	58,000	-	461,524	370,144	21,246	-	391,390	70,134	91,380

Notes on Financial Statements for the Year Ended 31st March 2019

(Amount in Rs.)

	As at 31.03.2019 (Amount in Rs.)				As at 31.03.2018 (Amount in Rs.)			
	Class of Shares	No. of Shares	Face Value	Amount (Rs.)	Class of Shares	No. of Shares	Face Value	Amount (Rs.)
Note - 9								
Non-Current Investments								
A. Long Term Investments:								
Trade Investments :								
Unquoted (at cost)								
Name of the Body Corporate:								
Uttam Adlakha & Sons Holdings Pvt. Ltd	Equity	180000	10/-	360,000	Equity	180000	10/-	360,000
Uttam Housinginfra Limited	Equity	205000	10/-	2,050,000	Equity	205000	10/-	2,050,000
New Castle Finance & Leasing Pvt.Ltd.	Equity	505000	10/-	1,810,000	Equity	505000	10/-	1,810,000
Uttam Distilleries Ltd.	Equity	100	10/-	2,077	Equity	433500	10/-	9,004,000
TOTAL (A)				4,222,077				13,224,000
JPC Infra Private Limited (10% Non-Cumulative Redeemable)	Preference	-	-	-	Preference	107000	100/-	21,400,000
Uttam Sugar Mills Ltd (10% Non Cumulative Redeemable)	Preference	18500	100/-	3,700,000	Preference	18500	100/-	3,700,000
Uttam Sugar Mills Ltd (6.5% Non Cumulative Redeemable)	Preference	274000	100/-	27,400,000	Preference	30000	100/-	3,000,000
The Standard Tyre Foundry Pvt. Ltd. (8% Non Cumulative Redeemable)	Preference				Preference	17500	100/-	3,500,000
Uttam Elite Hotels Pvt.Ltd. (8% Non Cumulative Redeemable)	Preference	50000	100	5,000,000	-	-	-	-
New Castle Finance & Leasing Pvt.Ltd. (11% Non Cumulative Redeemable)	Preference	22500	100	4,500,000	-	-	-	-
TOTAL (B)				40,600,000				31,600,000
GRAND TOTAL (A + B)				44,822,077				44,824,000

Note: All the above shares are fully paid up.

	As at 31.03.2019 Amount (Rs.)	As at 31.03.2018 Amount (Rs.)
Note - 10		
Deferred Tax Assets - Net		
Deferred Tax Assets		
Unabsorbed Depreciation & Losses	1,744,214	1,842,551
Difference between book and tax depreciation	8,234	8,336
Total	1,752,448	1,850,887
Note - 11		
Inventories		
(As taken, valued and certified by the management)		
(At lower of cost or market value)		
Stock-in-trade (Refer Note 23)	126,399	69,667
Total	126,399	69,667
Note - 12		
Cash and Cash Equivalents		
a) Balances with banks	96,015	492,495
b) Cash on hand	512,710	69,052
Total	608,725	561,547

Notes on Financial Statements for the Year Ended 31st March 2019

(Amount in Rs.)

	As at 31.03.2019 Amount (Rs.)	As at 31.03.2018 Amount (Rs.)
Note - 13		
Short-term Loans and Advances		
<u>Unsecured Loans</u>		
Loans and Advances to Related Parties (Refer Note 27)		
a) Considered Good	10,500,000	8,000,000
b) Considered Doubtful	–	2,500,000
Total	10,500,000	10,500,000
Note - 14		
Other Current Assets		
a) Tax Deducted at Source	395,000	385,000
b) MAT Credit Entitlement	172,334	22,760
c) Interest accrued and due	652,500	360,000
d) Other Advances	67,200	75,451
Total	1,287,034	843,211
	For the year ended 31.03.2019 Amount (Rs.)	For the year ended 31.03.2018 Amount (Rs.)
Note - 15		
Revenue from Operations		
a) Sales of Shares (Refer Note 22)	–	885,856
b) Interest Income	1,710,000	540,000
c) Dividend Income	3,048	3,351
d) Profit in Share Trading (Jobbing)	–	1,572
e) Consultancy Income	900,000	800,000
f) Profit on Investment	101,577	–
g) Interest on Income Tax refund	13,480	–
Total	2,728,105	2,230,779
Note - 16		
Purchases of Stock-in-Trade		
Quoted Equity Shares	63,724	753,250
Total	63,724	753,250
Note - 17		
Changes in inventories of Stock-in-Trade		
<u>Opening Stock :</u>		
Shares & Units	69,667	160,801
(A)	69,667	160,801
<u>Closing Stock :</u>		
Shares & Units (Refer Note 23)	126,399	69,667
(B)	126,399	69,667
Change (A) + (B)	(56,732)	91,134

Notes on Financial Statements for the Year Ended 31st March 2019

(Amount in Rs.)

	For the year ended 31.03.2019 Amount (Rs.)	For the year ended 31.03.2018 Amount (Rs.)
Note - 18		
Employee Benefits Expense		
a) Salaries and Incentives	520,114	988,041
b) Staff Welfare Expenses	81,907	80,850
Total	602,021	1,068,891
Note - 19		
Finance Cost		
Interest Expense	110,000	110,000
Total	110,000	110,000
Note - 20		
Loan Provisions		
a) Provision for Non Performing Assets	(250,000)	250,000
b) Contingent Provision for Standard Assets	6,981	(5,350)
Total	(243,019)	244,650
Note - 21		
Other Expenses		
a) Rent	48,000	36,000
b) Printing, Stationery, Postage & Telegram	14,314	3,316
c) Telephone Expenses	11,844	24,471
d) Travelling & Conveyance	60,723	31,516
e) Payment to Auditors (Refer Note 24)	48,970	41,300
f) Legal and Professional Charges	142,684	147,622
g) Fees & Subscription	53,100	57,652
h) Bank Charges	969	1,233
i) Demat Charges	3,000	2,582
j) Advertisement Expenses	94,050	89,226
k) Office Upkeep Charges	61,567	64,492
l) Computer Repairs & Maintenance	55,318	54,850
m) Miscellaneous Expenses	42,559	16,940
n) Book & Periodicals	5,235	7,533
o) AGM Holding Expenses	5,100	5,100
p) Listing Fee	295,000	287,500
q) Stamp Duties & Taxes	268,500	–
Total	1,210,933	871,333

Notes on Financial Statements for the Year Ended 31st March 2019

(Amount in Rs.)

	For the year ended 31.03.2019 Amount (Rs.)	For the year ended 31.03.2018 Amount (Rs.)
Note - 22		
Sales		
Quoted Equity Shares	-	885,856
Total	-	885,856
Note - 23		
Closing Stock in Trade		
Quoted Equity Shares	126,399	69,667
Total	126,399	69,667
Note - 24		
Payment to Auditors		
As Auditors	29,500	29,500
Other Services	19,470	11,800
Total	48,970	41,300
Note - 25		
Micro, Small and Medium Enterprises		
(As per information available with the company)		
(a) Amount due to Micro, Small and Medium Enterprises		
i) Principal amount	-	-
ii) Interest due on Above	-	-
(b) i) Principal amount Paid after due date or appointed day during the year	-	-
ii) Interest Paid during the year on (i) above	-	-
(c) Interest due & Payable (but not paid) on principal amounts paid during the year after the due date or appointed day	-	-
(d) Total interest accrued and remaining unpaid as on	-	-
(e) Further interest in respect of defaults of earlier years due and payable in current year up to the date when actually paid	-	-
Note - 26		
Earning per Share		
(a) Numerator : Net (Loss)/Profit for the year	928,974	(1,281,119)
(b) Denominator : Weighted Average No. of Equity Shares outstanding	5,500,000	5,500,000
(c) Paid up Value Per Equity Share	Rs 10/-	Rs 10/-
(d) Earning Per Share:-		
- Basic	0.17	(0.23)
- Diluted	0.17	(0.23)

ADHARSHILA CAPITAL SERVICES LIMITED

Note - 27

Sales

1. Parties where control exists NIL
2. Associates & Joint Ventures of the Enterprises NIL
3. Other Related Parties where transactions have taken place during the year
 - a) Individuals having significant influence/substantial interest and their relatives:-
 - Mr. Raj Kumar Adlakha
 - Mr. Ranjan Adlakha
 - b) Key Management Personnel & their relatives
 - Smt. Amita Adlakha - Managing Director(MD)
 - c) Enterprises significantly influenced by individuals referred to at (a) or (b) above
 - i) Uttam Sugar Mills Ltd
 - ii) Lipi Boilers Pvt. Ltd.
 - iii) The Standard Type Foundry Pvt. Ltd
 - iv) Uttam Adlakha & Sons Holding Pvt. Ltd.
 - v) Uttam Sucrotech Ltd.
 - vi) New Castle Finance & Leasing Pvt. Ltd
 - vii) Uttamenergy Limited
 - viii) Shubham Sugar Limited
 - viii) Rose Dale Estate Private Limited
4. Details of transaction with above related parties:-

Name of Enterprises	Nature of Transactions	Amount of Transaction			Outstanding Balance	
		Year Ended on 31-03-2019	Year Ended on 31-03-2018		Year Ended on 31-03-2019	Year Ended on 31-03-2018
Pariksha Fin Invest Lease Ltd.	Sale of Shares	NIL	500,000	Outstanding	-	-
New Castle Finance & Leasing Pvt. Ltd.	Sale of Shares	24,900,000	-	Other Current Liability	100,000	-
	Purchase of Shares	25,000,000	-	-	-	-
Shubham Sugar Limited	Sale of Shares	5,200,000	-	-	-	-
Uttamenergy Limited	Sale of Shares	9,103,500	-	-	-	-
Lipi Boilers Private Limited	Purchase of Shares	14,100,000	3,000,000	Outstanding	-	-
The Standard Type Foundry Pvt. Ltd	Loan Given	-	-	Loan Outstanding	8,000,000	8,000,000
	Interest Earned	800,000	800,000	Interest Outstanding	360,000	360,000
Uttam Adlakha & Sons Holding Pvt. Ltd	Purchase of Shares	-	300,000	-	-	-
Uttam Sugar Mills Ltd.	Consultancy Income	900,000	800,000	Outstanding	-	-
Uttam Sucrotech Ltd	Interest Paid	110,000	110,000	Interest Outstanding	-	-
	Loan Repaid	190,000	-	Loan Outstanding	810,000	1,000,000
Rose Dale Estate Private Limited	Interest Earned	585,000	-	Interest Outstanding	292,500	292,500
	Interest Received	585,000	-	Loan Outstanding	2,500,000	2,500,000

Note 28**Current Assets, Loans & Advances**

All the current assets, loans and advances, in the opinion of the board, have a value on realisation which in the ordinary course of business shall at least be equal to the amount, at which it is stated in the balance sheet.

Note 29**Contingent Liability**

There is no contingent liability not acknowledged as debt.

Note 30**Rounding Off of Figures**

The Figures have been rounded off to the nearest rupee.

Note 31**Previous year figures disclosure**

Previous year's figures have been re-grouped/ re-classified, wherever necessary, to make them comparable with the current year's figures.

Note 32**Other Disclosure**

Disclosure of details as required in terms of paragraph 13 of Non-Systemically important Non-Banking Financial Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2016 is as per Annexure.

**As per our report of even date attached
for RAJENDAR K. KUMAR & ASSOCIATES**

Chartered Accountants

FRNO. 010142C

Sd/-

R.K. KUMAR

Proprietor

Membership No.71803

Sd/-

Managing Director

Sd/-

Director

Sd/-

Company Secretary & CFO

Place : Ghaziabad

Date : 29th May, 2019

Statement of Significant Accounting Policies and Income Computation and Disclosure Standards adopted in preparation of the Financial Statements for the year ended 31st March, 2019

1. Accounting Policies:

- a. The accounts have been prepared on going concern basis and in accordance with the applicable accounting standards and relevant disclosure requirements. All the revenues and costs are recognized on accrual basis. The accounting policies adopted in preparation of financial statements are such so as to represent a true and fair view of the state of affairs and income of the business, profession or vocation and are consistent with those of previous year. All significant accounting policies adopted in preparation of accounts are duly disclosed.
- b. There is no change in any accounting policy which has a material effect for the current year or in later years.

2. Inventories:

- a. Inventories are valued at lower of cost and net realisable value on an item-by-item basis based on the most reliable evidence available at the time of valuation. Cost of inventories is worked out in the manner prescribed under the Standards using First-in First-out (FIFO) method and comprises of all costs of purchase, costs of services, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and excludes abnormal production costs, storage costs, administrative overheads and selling costs.
- b. There is no change in the method of valuation of inventories from previous year.
- c. The carrying amount of inventories and its appropriate classification is duly disclosed in the financial statements.

3. Revenue Recognition

Revenue is recognized when there is reasonable certainty of its ultimate collection and the revenue can be reliably measured.

- a. Revenue from sale of goods is recognized when property in the goods is transferred to the buyer for a price or all significant risks and rewards of ownership have been transferred to the buyer.
There is no amount involving transaction of sale of goods which has not been recognized as revenue during the year due to lack of reasonable certainty of its ultimate collection.
- b. Revenue from service transactions is matched with the service transaction costs incurred in reaching the stage of completion, resulting in the determination of revenue, expenses and profit which can be attributed to the proportion of work completed as on the reporting date. However, when services are provided by an indeterminate number of acts over a specific period of time, revenue is recognised on a straight line basis over the specific period.
- c. Interest is deemed to accrue on the time basis determined by the amount outstanding and the rate applicable. However, Interest on refund of any tax, duty or cess is deemed to be the income of the year in which such interest is received.

4. Fixed Assets and Depreciation:

- a. Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebate are deducted in arriving at the purchasing price.
- b. Depreciation on tangible fixed assets is provided on a straight line basis using the rates arrived at based on the useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.
- c. Depreciation on tangible fixed assets allowable under provisions of the Income Tax Act, 1961 is separately computed in accordance with the provisions of the said Act.

5. Borrowing Costs:

- a. Borrowing costs include interest and amortization of ancillary costs in connection with the arrangement of borrowings. Borrowing costs attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.
- b. No borrowing costs were capitalized during the year.

6. Investments:

Non Current Investments are stated at cost. Provision for diminution is made only if in the opinion of the management such decline is other than temporary.

7. Provisions, Contingent Liabilities and Contingent Assets:

- a. A provision is recognized when there is a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimates can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- b. Contingent liabilities are not recognized in preparation of financial statements but are disclosed by way of a note in the financial statements.
- c. Contingent assets are not recognized in preparation of financial statements. Contingent assets are assessed continually and when it becomes reasonably certain that inflow of economic benefit will arise, the asset and related income are recognized in the year in which the change occurs.

8. Impairment of assets:

The company, on an annual basis, makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the profit and loss account

9. Segment Reporting:

The company is engaged in the business of loans and investments which is the single reportable segment.

10. Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits and disallowances under the provisions of Income Tax Act, 1961.

Deferred Tax resulting from timing difference between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

11. Employee Benefits:

- a) The provisions of the Provident Fund Act, 1952 are not applicable to the company for the time being.
- b) No provision is made for gratuity liability as no employee of the company has completed the stipulated period of service for entitlement to this benefit.

**As per our report of even date attached
for RAJENDAR K. KUMAR & ASSOCIATES**

**Chartered Accountants
FRNO. 010142C**

**Sd/-
R.K. KUMAR
Proprietor
Membership No.71803**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Company Secretary & CFO**

Place : Ghaziabad

Date : 29th May, 2019

ANNEXURE

SCHEDULE ANNEXED TO BALANCE SHEET AS AT 31ST MARCH, 2019

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

Particulars			
Liabilities side :			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-Corporate loans and borrowing	8,10,000	-
	(e) Commercial Paper	-	-
	(f) Other Loans (specify nature)	-	-
Assets side :		Amount outstanding	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	-	
	(b) Unsecured	11,152,500	
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	
(4)	Break-up of Investments :		
	<i>Current Investments :</i>		
	1. Quoted :		
	(i) Shares : (a) Equity	-	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	2. Unquoted :		
	(i) Shares : (a) Equity	-	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	

	<i>Long Term Investments :</i>			
	1. Quoted :			
	(i) Shares : (a) Equity		-	
	(b) Preference		-	
	(ii) Debentures and Bonds		-	
	(iii) Units of mutual funds		-	
	(iv) Government Securities		-	
	(v) Others (please specify)		-	
	2. Unquoted :			
	(i) Shares : (a) Equity		4,222,077	
	(b) Preference		40,600,000	
	(ii) Debentures and Bonds		-	
	(iii) Units of mutual funds		-	
	(iv) Government Securities		-	
	(v) Others (please specify)		-	
			44,822,077	
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above :			
	Category	Amount net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	11,152,500	11,152,500
	2. Other than related parties	-	-	-
	Total	-	11,152,500	11,152,500
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
	Category	Amount net of Provisions		
			Market-Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **			
	(a) Subsidiaries		-	-
	(b) Companies in the same group		-	-
	(c) Other related parties		49,110,119	44,822,077
	2. Other than related parties		-	-
	Total		49,110,119	44,822,077
(7)	Other information			
	Particulars	Amount		
	(i) Gross Non-Performing Assets			
	(a) Related parties		-	
	(b) Other Related parties		-	
	(c) Other than related parties		-	

ADHARSHILA CAPITAL SERVICES LIMITED

(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other Related parties	-
	(c) Other than related parties	-
(iii)	Assets acquired in satisfaction of debt	-

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

**As Per Our Separate Report of Even Date,
Firm Registration No.010142C
For Rajendar K.Kumar & Associates,
Chartered Accountants,**

**Sd/-
R.K. KUMAR
Proprietor
Membership No.71803**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Company Secretary & CFO**

Place : Ghaziabad

Date : 29th May, 2019

ADHARSHILA CAPITAL SERVICES LIMITED

[CORPORATE IDENTITY NUMBER (CIN): L74899DL1993PLC056347]

Regd. Office: 7C, 1st Floor, 'J' Block Shopping Centre, Saket, New Delhi-110017

Corp. Off.: C/o Uttam Toyota, A-11, Meerut Road, Industrial Area, Ghaziabad-201003, (U.P.)

Tel. No.: 0120 - 4193799, 4152766

Email: adharshilacapital@gmail.com; Website: www.adharshilacapital.in

ATTENDANCE SLIP

Folio No. :
DP ID :
Client ID :
Name & Address of the Member (s) :
Name of the Proxy (in Block letters)
(to To be filled in if the Proxy attends
instead of the member)

I hereby record my presence at the 26th Annual General Meeting held on 26th July, 2019 at 12.00 noon at "Shree Agrasen Bhawan", Vivek Vihar, Delhi – 110 095.

.....
Member/ Proxy's Signature

-----✂------(TEAR HEAR)-----✂-----

(PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN)

ADHARSHILA CAPITAL SERVICES LIMITED

[CORPORATE IDENTITY NUMBER (CIN): L74899DL1993PLC056347]

Regd. Office: 7C, 1st Floor, 'J' Block Shopping Centre, Saket, New Delhi-110017

Corp. Off.: C/o Uttam Toyota, A-11, Meerut Road, Industrial Area, Ghaziabad-201003, (U.P.)

Tel. No.: 0120 - 4193799, 4152766

Email: adharshilacapital@gmail.com; Website: www.adharshilacapital.in

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]

Name of the Member(s) :
Registered Address :
Email Id :
Folio No. / Client ID No. DP ID No.

I/We, being the member(s) of _____ shares of Adharshila Capital Services Limited, hereby appoint

- Name: Address:
E-mail id:.....Signature : or failing him
- Name: Address:
E-mail id:.....Signature : or failing him
- Name Address:
E-mail id:.....Signature : or failing him

----- INTENTIONALLY LEFT BLANK -----

-----✂------(TEAR HEAR)-----✂-----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on 26th July, 2019 at 12.00 noon at "Shree Agrasen Bhawan", Vivek Vihar, Delhi – 110 095 and at any adjournment thereof in respect of such resolutions as are indicated below:

SI. No.	Resolutions
Ordinary Business	
1.	Adoption of Audited Financial Statements for the year ended 31 st March, 2019.
2.	Re-appointment of Mrs. Amita Adlakha (DIN: 00050772) as a Director liable to Retire by Rotation.
3.	Approval to dispense with the requirement of ratification of appointment of Statutory Auditor
Special Business	
4.	Re-appointment of Mr. Harnand Tyagi (DIN: 00159923) as Independent Director of the Company.
5.	Re-appointment of Mr. Joginder Singh Dhikkar (DIN: 00050606) as Independent Director of the Company.
6.	Re-appointment of Mr. Rajindar Kumar Khanna (DIN: 00183593) as Independent Director of the Company.
7.	Alteration in Main Object Clause of the Memorandum of Association -Clause III(A)

Signed this day of2019.

Signature of the Member :

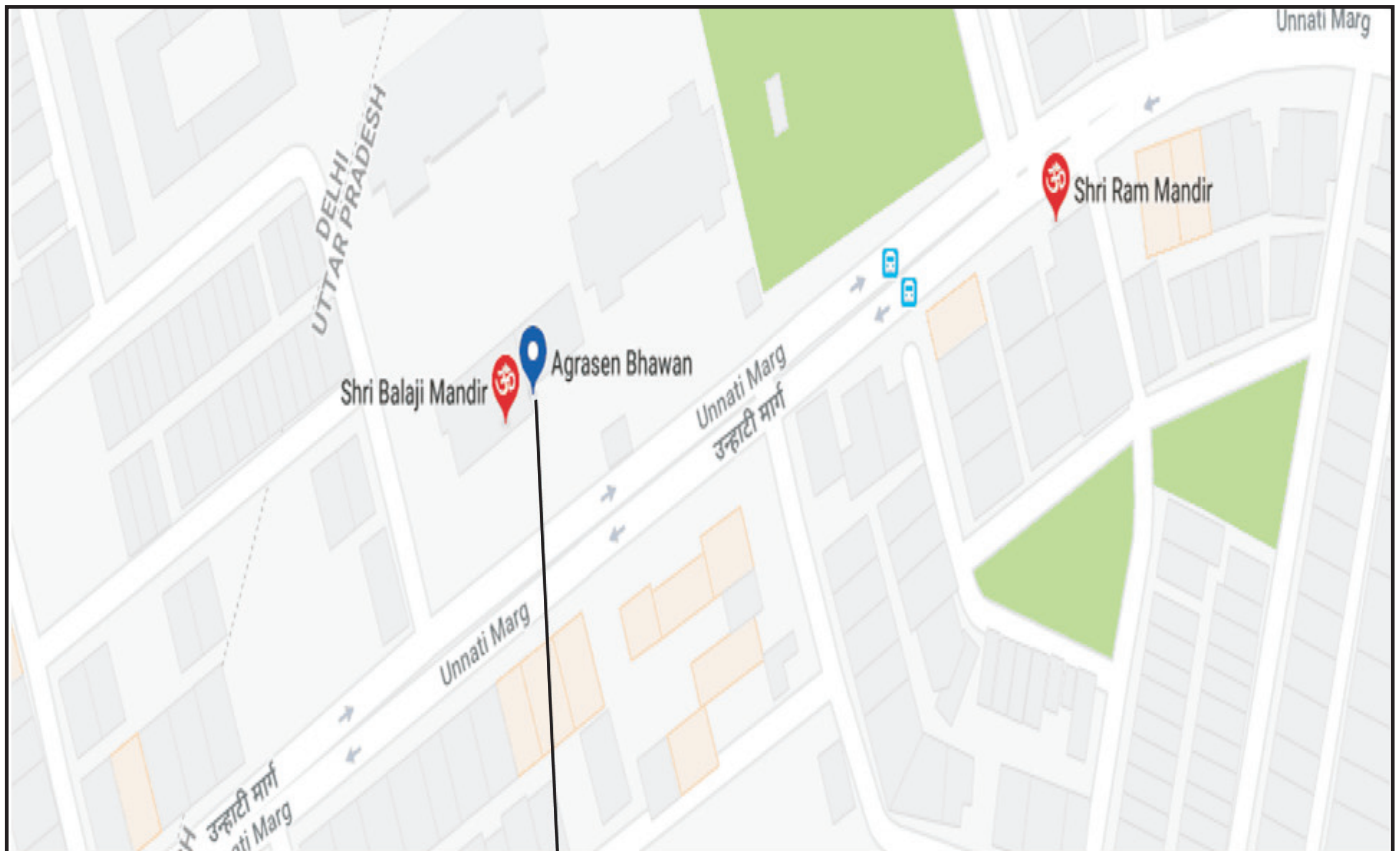
Signature of the proxy holder(s) :

Affix a
Revenue
Stamp of
₹1/-

Note :

- 1. This proxy form must be deposited at the Registered Office of the Company situated at 7C, 1st Floor, 'J' Block Shopping Centre, Saket, New Delhi-110017 not less than forty-eight hours before the time fixed for holding the aforesaid meeting. A proxy need not be a member of the Company.**
2. For Resolutions, Explanatory Statement and Notes, please refer to the Notice of 26th Annual General Meeting of the Company.
3. Please complete all details including details of Member(s) before submission.

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING ON
FRIDAY, THE 26TH JULY, 2019 AT 12.00 NOON**



VENUE OF ANNUAL GENERAL MEETING

ADHARSHILA CAPITAL SERVICES LIMITED
"SHREE AGRASEN BHAWAN" VIVEK VIHAR,
DELHI – 110 095"

Regd. Office: 7C, 1st Floor, 'J' Block Shopping Centre, Saket, New Delhi-110017
Corp. Off.: C/o Uttam Toyota, A-11, Meerut Road Industrial Area, Ghaziabad 201003,(U.P.)
Tel. No.: 0120 – 4193799, & 4152766
Email: adharshilacapital@gmail.com; **Website:** www.adharshilacapital.in