



UDIN : 21071803AAAAEC5151

Independent Auditor's Report on Audited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
ADHARSHILA CAPITAL SERVICES LIMITED**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying quarterly financial results of Adharshila Capital Services Limited ("the company") for the quarter and the year ended March 31, 2021 ("statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and the year ended March 31, 2021

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 results under the provisions of the Companies Act, 2013 and the Rules thereunder, 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.



Emphasis of Matter

We draw attention to note 3 of the statement, which describes the uncertainty caused by Novel Coronavirus (COVID-19) pandemic with respect to the Group's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Results

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

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 results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

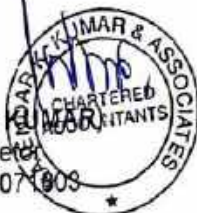
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

The annual financial results include the results for the quarter/year ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For RAJENDAR K. KUMAR & ASSOCIATES,
Chartered Accountants,

(R. K. KUMAR)
Proprietor
M.No.071908



Place: Ghaziabad
Date: 09.06.2021

ADHARSHILA CAPITAL SERVICES LIMITED

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

Corporate Identity Number : L65100DL1993PLC056347

AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH 2021

(Amount Rs. In Lacs, except per share value)

S.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	(a) Revenue from Operations					
	Interest Income	2.81	2.81	2.81	11.25	11.25
	Dividend Income	0.00	0.01	0.02	0.01	0.04
	Fees & Consultancy Income	0.00	0.00	0.00	10.00	10.00
	Sale of Products (Shares)	0.00	0.00	0.00	0.07	0.87
	Total Revenue from Operations	2.82	2.82	2.83	21.34	22.16
	(b) Other Income	0.00	0.00	1.30	0.00	1.49
	Total Income (a)+(b)	2.82	2.82	4.13	21.34	23.65
2	Expenses					
	Finance Costs	0.22	0.22	0.22	0.89	0.89
	Purchases of Stock in trade	0.00	0.00	0.00	0.00	0.00
	Changes in inventory of stock in trade	0.00	(0.01)	0.07	0.07	0.90
	Employee Benefits Expenses	1.79	2.63	2.41	8.56	9.45
	Depreciation, Amortisation and Impairment	0.05	0.05	0.03	0.20	0.14
	Loan Provision	-0.01	0.01	0.00	0.00	0.00
	Other Expenses	2.26	1.95	2.13	11.65	10.55
	Total Expenses	4.31	4.84	4.87	21.37	21.93
3	Profit/(Loss) before exceptional items and tax (1-2)	(1.50)	(2.02)	(0.74)	(0.04)	1.72
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit/(Loss) before Tax (3-4)	(1.50)	(2.02)	(0.74)	(0.04)	1.72
6	Tax Expense					
	(1) Current Tax	0.00	0.00	(0.47)	-	-
	(2) Deferred Tax	(2.16)	(0.51)	(45.58)	(1.79)	(44.96)
	(3) Mat Credit	0.00	0.00	2.20	-	1.72
	Total Tax Expense	(2.16)	(0.51)	(43.86)	(1.79)	(43.23)
7	Profit/(Loss) for the period from continuing operation(5-6)	0.67	(1.51)	43.12	1.76	44.95
8	Other Comprehensive Income					
	A (i) Item that will not be reclassified to profit or loss					
	a) Fair value gain / (loss) on investments	(573.28)	2.18	0.84	(566.75)	7.22
	b) Deferred tax impact of the above	127.44	(0.50)	(96.33)	199.60	(97.65)
	Other Comprehensive Income	(445.84)	1.68	(95.48)	(367.15)	(90.43)
9	Total comprehensive income for the period (Comprising of Profit/Loss and other Comprehensive Income(7+8))	(445.17)	0.17	(52.36)	(365.39)	(45.48)
10	Paid up equity share capital (Face value of Rs. 10/-)	550.00	550.00	550.00	550.00	550.00
11	Earnings per equity shares (not annualized)					
	Basic (Rs.)	0.01	(0.03)	0.78	0.03	0.83
	Diluted (Rs.)	0.01	(0.03)	0.78	0.03	0.83

BY Order of the Board

Director

Place : Ghaziabad

Dated : 09.06.2021



ADHARSHILA CAPITAL SERVICES LIMITED
REGD OFF.: 7C 1st Floor 'J' Block Shopping Centre, Saket New Delhi-110017
Corporate Identity Number : L65100DL1993PLC056347

Statement of Assets & Liabilities

Particulars	Rs. in Lakhs	
	As on 31.03.2021	As on 31.03.2020
	Audited	Audited
A ASSETS		
1 Financial Assets		
a) Cash and cash equivalents	9.24	10.36
b) Receivables		1.35
1) Trade Receivables	0.00	0.00
2) Other Receivables	0.00	0.00
c) Loans	105.00	105.00
d) Investments	2082.63	2649.38
e) Other Financial assets	6.71	6.53
Sub Total Financial Assets	2203.58	2772.62
2 Non Financial Assets		
a) Inventories	0.29	0.37
b) Current tax Assets(Net)	3.84	2.13
c) Property,Plant and Equipment	0.23	0.43
d) Other non-financial assets	0.05	1.24
Sub Total Non-Financial Assets	4.42	4.15
TOTAL - ASSETS	2208.00	2776.78
B LIABILITIES AND EQUITY		
1 Liabilities		
a Financial Liabilities		
a) Payables		
(I) Trade Payables		
A)Total outstanding dues of micro & small enterprises	0.00	0.00
B)Total outstanding dues of creditors other than micro & small enterprises	0.00	0.00
b) Borrowings	8.10	8.10
c) Other Financial Liabilities	2.45	4.45
Sub Total Financial Liabilities	10.55	12.55
b Non Financial Liabilities		
a) Current tax liabilities	0.00	0.00
b) Provisions	0.28	0.28
c) Deferred tax Liabilities (Net)	290.13	491.53
d) Other Non financial liabilities	0.00	0.00
Sub Total Non-Financial Liabilities	290.41	491.80
Sub Total Liabilities	300.96	504.36
2 Equity		
a) Equity Share Capital	550.00	550.00
b) Other Equity	1357.04	1722.42
Sub Total Equity	1907.04	2272.42
TOTAL - LIABILITIES AND EQUITY	2208.00	2776.78

Place : Ghaziabad
 Date : 09.06.2021



BY Order of the Board

R. K. KUMAR
 Director

ADHARSHILA CAPITAL SERVICES LIMITED

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

Corporate Identity Number : L65100DL1993PLC056347

Statement of Cash Flow for the year ended 31.03.2021

	Year ended 31.03.2021 (Audited)		Year ended 31.03.2020 (Audited)	
	(Rs.in lacs)		(Rs.in lacs)	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		(0.04)		1.71
Adjustments for :				
Depreciation	0.20		0.14	
Loss on sale of investments	-		(1.29)	
Effect of Deferred Taxes & Current Taxes	(1.79)		(44.96)	
Effect of fair value gain/loss on investments as per Ind AS	-		-	
Loss on Sale of Fixed Assets	-	(1.60)	-	(46.11)
Operating profit before working capital change		(1.63)		(44.39)
Adjustments for :				
Inventories	0.07		0.90	
Other Financial Assets	(0.18)		-	
Trade Receivables	1.35		(1.35)	
Other Current Assets	(1.72)		3.55	
Other Non Financial Assets	1.19		(0.57)	
Short Term Borrowing	-		0.80	
Trade Payable	-		(0.27)	
Current Liabilities & Provisions	(2.00)	(1.28)	1.02	4.08
Cash generated from operations		(2.91)		(40.32)
Direct Taxes paid /provided		-		1.70
Net cash from Operating Activities (a)		(2.91)		(42.02)
CASH FLOW FROM INVESTING ACTIVITIES :				
Acquisition of Fixed Assets		-		-
Sale of investments		-		-
Purchase of investments		(214.00)		1.34
Proceeds from Sale/redemption of investments		214.00		-
Net Cash used in Investing Activities (b)		-		1.34
CASH FLOW FROM FINANCIAL ACTIVITIES :				
Proceeds from issue of share capital		-		-
Deferred Tax Assets (Net)		1.79		44.96
Long Term Loans & Advances		-		-
Unsecured Loan taken		-		-
Net cash from/(used in) financing activities (c)		1.79		44.96
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)		(1.12)		4.28
Cash and cash equivalents at beginning of the year components being :				
Cash on hand	5.09		5.13	
Balances with banks on current, margin and fixed deposit account	5.28	10.36	0.96	6.09
Cash and cash equivalents at end of the year the components being :				
Cash on hand	1.07		5.09	
Balances with banks on current, margin and fixed deposit accounts	8.18	9.24	5.28	10.36
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(1.12)		4.28

BY THE ORDER OF THE BOARD

[Signature]
DIRECTOR

Place : Ghaziabad

Date : 09.06.2021



Notes:

- 1 The Company operates in a single reportable segment i.e loans and Investments. The Company operates in single geographical segment i.e domestic. Accordingly, there is no separate reportable segment as per IND AS-108, Operating segments, in respect of the company.
- 2 Previous period figures stated above have been regrouped and/or reclassified wherever necessary to make them comparable with current period figures.
- 3 The Company has considered the possible effects that may result from COVID-19 pandemic on its future business performance and the carrying amounts of its assets upto the date of approval of the financial results by the Board of Directors. In assessing future uncertainties and making estimates in relation to these financial results, the Company has considered internal and external sources of information including prevailing market conditions, economic forecasts etc. The Company currently believes that the impact of COVID-19 on the Company's financial results may not be material and there is no foreseeable risk in Company's ability to continue as going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The actual impact of the pandemic on the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- 4 The Honourable Supreme Court of India, in its interim order dated 3rd September, 2020 in the Public Interest Litigation case of Gajendra Sharma vs Union of India & Anr has directed Banks and NBFCs that the accounts which were not classified as NPA till 31st August, 2020 should not be so classified till further orders of Supreme Court. Pursuant to the order, the Company did not classify any borrower account which had not been classified as NPA as at 31st August, 2020 as per RBI Prudential Norms on Income Recognition, Asset Classification, Provisioning and other related matters, as NPA after 31st August, 2020. The interim order granted to not declare accounts as NPA stood vacated on 23rd March, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors, and other connected matters. In view of this and in accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR.REC.4/21.04.048/2021-22 dated 7th April, 2021 issued in this connection, the Company has classified these borrower accounts as per extant RBI Instructions / IRAC norms with effect from 01.09.2020 for the quarter and year ended 31 March 2021.
- 5 The above financial results have been taken on record by the Board of Directors at their meeting held on 09.06.2021 after being reviewed and recommended by Audit Committee.

Place : Ghaziabad

Dated : 09.06.2021

BY Order of the Board



Director

