

**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

**ANNUAL REPORT 2019-20**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Santinath Paul, Director and Chief Financial Officer

Mr. Vinit Agrawal, Director

Mr. Sudipta Dutta, Additional Director

Mrs. Shampa Paul, Additional Director

Mr. Sudip Pramanik, Manager

### **CHIEF FINANCIAL OFFICER**

Mr. Santinath Paul, Chief Financial Officer and Director

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Shreya Routh

### **AUDITORS**

M/s. Agrawal Tondon & Co.

Chartered Accountants

Suite Nos. 606-608,

The Chambers, (Opposite Gitanjali Stadium)

1865, Rajdanga Main Road, Kasba

Kolkata-700 107

### **BANKERS**

ICICI Bank Limited

Kotak Mahindra Bank Limited

Axis Bank Limited

### **REGISTERED OFFICE**

687, Anandapur, E.M. Bypass, 2<sup>nd</sup> Floor,

Kolkata – 700 107

Tel. No. : (033) 6613 6264

Email id: [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)

### **LISTING**

The Calcutta Stock Exchange Limited

Scrip Code : **26040**

**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

**CIN: L27310WB1977PLC031117**

**Registered office: 687, Anandapur, EM Bypass, 2<sup>nd</sup> Floor, Kolkata 700107**

**Phone No. 033-66136264,**

**Website: [www.pfasl.in](http://www.pfasl.in) ; E-mail: [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)**

**NOTICE**

**NOTICE** is hereby given that the Forty-Third Annual General Meeting (AGM) of the Members of the Premier Ferro Alloys & Securities Limited ("the Company") will be held on Wednesday, the 30th September, 2020 at 11.00 AM at the registered office of the company situated at 687, Anandapur, E.M. Bypass, 2nd Floor, Kolkata - 700107 (Landmark: near Ruby Hospital) to transact the following business:

**Ordinary Business:**

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Vinit Agrawal (holding DIN: 06944709), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**Special Business:**

**Item No. 3: Ordinary Resolution**

**Regularization and Appointment of Mr. Sudipta Dutta as Independent Director of the Company**

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 Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. Sudipta Dutta (DIN: 08713289), who was appointed as an Additional Director of the Company with effect from 29th February, 2020 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from the date of the Annual General Meeting.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."



#### **Item No. 4: Ordinary Resolution**

##### **Regularization and Appointment of Mrs. Shampa Paul as Independent Woman Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mrs. Shampa Paul (DIN: 07490402), who was appointed as an Additional Director of the Company with effect from 29th February, 2020 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent woman Director of the Company to hold office for a term upto five consecutive years commencing from the date of the Annual General Meeting.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

#### **Item No 5 : Special Resolution**

##### **To approve and empower the Board of Directors of the company to dispose/sale of undertaking under section 180(1)(a) of the Companies act, 2013.**

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 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the "Act"), and in supersession of all the earlier resolutions passed in this regard and such other approvals/sanctions/permissions as may be necessary, the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including the powers conferred by this resolution and with the power to delegate authority to any person or persons) to sell, lease or otherwise dispose of, to mortgage, charge, hypothecate, pledge or otherwise, encumber from time to time, movable and/ or immovable, tangible and or intangible properties/assets, both present and future and or whole or substantially the whole of the undertaking(s) of the Company in such form, manner and time as the Board may deem fit, for securing any loans and/or borrowings and/ or advances and/or guarantees and/or any financial assistance whether all/any of such financial assistance taken or to be taken in foreign currency and/or rupee currency by the Company and or affiliates/associates



Companies from any lender including without limitation, any bank, financial or other institutions, non-resident Indians, foreign institutional investors and/or public financial institutions as defined under Section 2(72) of the Act and/ or any other persons, bodies corporates and/or eligible foreign lenders and/or any entity/entities, machinery suppliers and or any other person(s) or institution(s) providing finance for purchase of assets/business of the Company or for working capital or for purchase of specific items of machinery and equipment under any deferred payment scheme or bills discounting/rediscounting scheme or in favour of trustees for debenture holders that may be appointed here after, as security for the debentures/ bonds that may be issued by the Company, Group Companies, Associates Companies and other person or persons together with interest, cost, charges, expenses and all other monies payable by the Company, Group Companies, Associates Companies and other person or persons to the said lender(s) and/ or for the purpose of securing the securities (comprising of fully/partly convertible and/or non-convertible debenture and or any other debts instruments with or without detachable or non -detachable warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments) together with interest, remuneration of the trustees, premium, if any, on redemption, costs, charges and expenses payable by the Company in terms of the trust deed/other documents to be finalized and executed between the Company and the trustees/lenders and containing such specific terms and conditions (which may include authorization to the lender to transfer / assignment of security in favour of third party) and covenants in that behalf and agreed to between the Board of Directors and the trustees /lenders, up to a value of and within the overall limits of Rs. 3000 Crores (Rupees Three Thousand Crores Only).

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

**Registered Office:**

687, Anandapur, E.M. Bypass, 2<sup>nd</sup> Floor  
Kolkata - 700 107

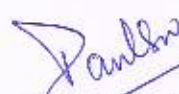
**CIN:** L27310WB1977PLC031117

**E-mail:** [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)

**Phone No.** 033-66136264,

**Website:** [www.pfasl.in](http://www.pfasl.in)

**By Order of the Board**



**Santinath Paul**  
**Director**

**DIN: 03190144**



**Dated: 01<sup>st</sup> September, 2020**



**NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

**The instrument appointing Proxy in order to be effective, should reach the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Annual General Meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.**

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

- 2) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the company will remain closed from 24.09.2020 (Thursday) to 30.09.2020 (Wednesday) (both days inclusive).
- 3) Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the company before the closure of the Register of Members for registration.
- 4) An Explanatory Statement pursuant to Section 102 of the Companies Act 2013 in relation to the Special Business is annexed hereto and forms part of this Notice.
- 5) Members/Representatives/Proxy(ies) are requested to bring attendance slip, as enclosed, duly filled in, together with their copy of Annual Report and notice convening the Annual General Meeting.
- 6) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 7) Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
- 8) Investors may address their queries/communications at [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com).
- 9) Shareholders seeking any information with regard to the Accounts are requested to write to the company at least seven days in advance so as to enable the Management to keep the information ready at the Annual General Meeting.



- 10) Electronic copy of the Annual Report for 2019-20 with Notice of the 43<sup>rd</sup> Annual General Meeting of the Company *interalia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode to all the members as on record date i.e . Wednesday, 23<sup>rd</sup> September, 2020. Members may also note that Notice of 43<sup>rd</sup> Annual General Meeting and Annual Report for 2019-20 will also be available on Company's website at [www.pfasl.in](http://www.pfasl.in) for their download.
- 11) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 12) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least ten days before the date of the meeting, so that the information required may be made available at the meeting.
- 13) Copies of Memorandum of Association & Articles of Association of the Company and all other material documents referred to herein above will be available for inspection at the Registered Office of the Company during the business hours on all working days except Saturdays, Sundays and other holidays.
- 14) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) bank account details by every Participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 15) SEBI had vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with BSE circular no. list/comp/15/2018-19 dated July 05, 2018 directed that transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, Members can continue to hold shares in physical form. In view of the above and to avail free transferability of shares and the benefits of dematerialization, members are requested to consider demat of shares held by them in physical form. Members may note that, Transfer deed(s) once lodged prior to April 1, 2019 and returned due to deficiency in the document may be re-lodged even after the April 1, 2019 with the office of RTA, or at the Registered Office of the Company. The Company will abide by the guidelines issued by Statutory Authorities from time to time in the matter.
- 16) The route map showing directions to reach the venue of the 43<sup>rd</sup> Annual General Meeting, pursuant to the applicable Secretarial Standards is also annexed.



**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Sunday, 27<sup>th</sup> September 2020 (9:00 AM) (IST) and ends on Tuesday, 29<sup>th</sup> September, 2020(5:00 PM) (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 23<sup>rd</sup> September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (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](http://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**

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>



Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>
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(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach 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 "PREMIER FERRO ALLOYS & SECURITIES LTD" on which you choose to vote.

(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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **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](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### **III. Other Instructions**

1. Ms. Megha Modi, Practising Company Secretary (CP No. 5841) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
2. The facility for voting through ballot paper shall be made available at the AGM venue and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote once again.
4. A Member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through e-voting shall prevail and vote by Ballot shall be treated as invalid. Members who have cast their votes by e-voting prior to the Meeting may also attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members after closure of business hours of Wednesday, 23<sup>rd</sup> September, 2020 (cut-off date). Only those Members whose names are recorded in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting as well as avail the facility of e-voting at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.



6. The remote e-voting period commences on Sunday, 27<sup>th</sup> September 2020 (9:00 AM) (IST) and ends on Tuesday, 29<sup>th</sup> September, 2020 (5.00 P.M. IST), after which remote e-voting will be blocked by CDSL. During this period members of the Company, holding shares as on the cut-off date i.e. after closure of business hours of Wednesday, 23<sup>rd</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
7. If you are already registered with CDSL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
8. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e after closure of business hours of Wednesday, 23<sup>rd</sup> September, 2020, may cast their votes electronically through remote e-voting by obtaining the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com).

9. A person, whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper, if not participated through remote e-voting.
10. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, allow voting by means of ballot paper for all those Members who are present but have not cast their vote electronically.
11. The Scrutinizer shall immediately after the conclusion of voting at the AGM, 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 of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

**Registered Office:**

687, Anandapur, E.M. Bypass, 2<sup>nd</sup> Floor  
Kolkata - 700 107  
CIN: L27310WB1977PLC031117  
E-mail: [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)  
Phone No. 033-66136264,  
Website: [www.pfasl.in](http://www.pfasl.in)  
Dated: 01st September, 2020

**By Order of the Board**

  
Santinath Paul  
Director  
DIN: 03190144





**Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013:**

**ITEM NO 3**

The Board of Directors of the Company had appointed Mr. Sudipta Dutta as an Additional Director of the Company with effect from 29th February, 2020. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Sudipta Dutta shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years.

A brief profile of Mr. Sudipta Dutta, has been tabulated in the Annexure to the Notice.

The Company has received a declaration of independence from Mr. Sudipta Dutta. In the opinion of the Board, Mr. Sudipta Dutta fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Sudipta Dutta, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 3 for approval of the Members.

**ITEM NO 4**

The Board of Directors of the Company had appointed Mrs. Shampa Paul as an Additional Director of the Company with effect from 29th February, 2020. In accordance with the provisions of Section 161 of Companies Act, 2013, Mrs. Shampa Paul shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years.

A brief profile of Ms. Shampa Paul has been tabulated in the Annexure to the Notice.

The Company has received a declaration of independence from Mrs. Shampa Paul. In the opinion of the Board, Mrs. Shampa Paul fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Woman Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of



Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day.

None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Shampa Paul, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 3 for approval of the Members.

#### **ITEM NO 5**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid- up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 3000.00 Crores (Rupees Three Thousand Crores Only).

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution.

## ANNEXURE TO THE NOTICE

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 43<sup>rd</sup> ANNUAL GENERAL MEETING [IN PURSUANCE OF REGULATION 36 (3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

<b>Name of Director</b>	Mr. Vinit Agrawal	Mr. Sudipta Dutta	Ms. Shampa Paul
<b>DIN</b>	06944709	08713289	07490402
<b>Date of Birth</b>	30.01.1977	18.11.1992	25.01.1976
<b>Qualification</b>	CA	B.Com Hons	B.Com Hons
<b>Date of appointment on the Board</b>	30.09.2014	29.02.2020	29.02.2020
<b>Brief Resume and Area of Expertise</b>	Mr Vinit Agrawal is having experience in operations, banking, accounting and finance. He is an integral part of the management team.	Mr. Sudipta Dutta has experience in accounting and finance. He is an integral part of the management team.	Ms. Shampa Paul has experience in accounting and finance. She is an integral part of the management team.
<b>Directorship held in other companies</b>	1. Midkot Investments Private Limited 2. Deep Jayant Commercial Company Private Limited	1. New Way Constructions Limited 2. TMT Viniyogan Limited 3. Emami Capital Markets Limited	1. New Way Constructions Limited 2. PAN Emami Cosmed Limited 3. TMT Viniyogan Limited 4. Emami Capital Markets Limited 5. TSSP Spa and Salon Private Limited
<b>Membership/Chairmanship of committees of other public companies</b>	Nil	NIL	NIL
<b>No. of shares held in the Company</b>	Nil	NIL	NIL
<b>Relationships, if any, between Directors inter se and KMP of the Company</b>	None	None	None



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**  
**CIN: L27310WB1977PLC031117**  
**Registered office: 687, Anandapur, EM Bypass, 2<sup>nd</sup> Floor, Kolkata 700107**  
**Phone No.: 033- 66136264, Tele Fax: 033-66136242**  
**Website: [www.pfasl.in](http://www.pfasl.in) ; E-mail: [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)**

### **ATTENDANCE SLIP**

I hereby record my presence at the Forty-Second Annual General Meeting of the Company held at 687, Anandapur, EM Bypass, 2<sup>nd</sup> Floor, Kolkata- 700 107 on Wednesday, 30<sup>th</sup> day of September, 2020 at 11.00 A.M.

Registered Folio No./DP ID & Client ID*	
Name and Address of the Shareholder(S)	
Name of Joint Holders, if any	
No. of Shares Held	

\_\_\_\_\_  
Members' / Proxy's Name in Block Letter

\_\_\_\_\_  
Member's / Proxy's Signature

**Note:** Shareholders / Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting. Please bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.  
The Electric Voting Particulars are set out below"

### **ELECTRONIC VOTING PARTICULARS**

EVSN (E-VOTING SEQUENCE NUMBER)	USER ID	PASSWORD

Please refer to the AGM Notice for e-voting instructions.

**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

**CIN:** L27310WB1977PLC031117

**Registered office:** 687, Anandapur, EM Bypass, 2<sup>nd</sup> Floor, Kolkata 700107

**Phone No.:** 033-66136264, **Tele Fax:** 033- 66136242

**Website:** [www.pfasl.in](http://www.pfasl.in) ; **E-mail:** [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)

**Form No. MGT-11**

**Proxy form**

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

**CIN:** L27310WB1977PLC031117

**Name of the Company:** Premier Ferro Alloys & Securities Limited

**Registered office:** 687, Anandapur, E.M. Bypass, 2<sup>nd</sup> Floor, Kolkata- 700 107

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No/ Clint Id: \_\_\_\_\_

DP ID: \_\_\_\_\_

I/We \_\_\_\_\_ being \_\_\_\_\_ the \_\_\_\_\_ member  
of \_\_\_\_\_,  
holding \_\_\_\_\_ shares, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Forty-Third Annual General Meeting of members of the Company, to be held on Wednesday, 30th September, 2020 at the registered office of the Company at 687, Anandapur, E.M. Bypass, 2<sup>nd</sup> Floor, Kolkata-700 107, and at any adjournment thereof in respect of such resolutions as are indicated below:



RESOLUTION NO.	PARTICULARS	OPTIONAL*	
		AGAINST	FOR
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Balance Sheet for 31.03.2020.		
2.	To appoint a Director in place of Mr. Vinit Agrawal (holding DIN: 06944709), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.		
<b>Special Business</b>			
3.	To regularize & appoint Mr. Sudipta Dutta as Independent Director of Company.		
4.	To regularize & appoint Mrs. Shampa Paul as Independent Director of Company.		
5.	To approve and empower the Board of Directors of the company to dispose/sale of undertaking under section 180(1)(a) of the companies act, 2013.		

Signed this ..... day of..... 2019

Signature of Shareholder.....

Signature of 1<sup>st</sup> Proxy holder(s).....

Signature of 2<sup>nd</sup> Proxy holder(s).....

**Affix  
Revenue  
Stamp**

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

- Any alteration or correction made to this proxy form must be initialled by the signatory/signatories
- If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, please tick in the corresponding box under the column marked "Against". If no direction is given, your proxy may vote or abstain as he/she thinks fit.

### ROUTE MAP OF EMAMI TOWER





**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

**CIN: L27310WB1977PLC031117**

**Registered office:** 687, Anandapur, E M Bypass,  
2<sup>nd</sup> Floor, Kolkata 700107

**Phone No.** 033- 66136264,

**Website:** [www.pfasl.in](http://www.pfasl.in) ; **E-mail:** [panemamics@emamigroup.com](mailto:panemamics@emamigroup.com)

**BOARD'S REPORT**

To,  
The Members,

Your Directors have immense pleasure in presenting the 43<sup>rd</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March' 2020.

<b>FINANCIAL HIGHLIGHTS:</b>	<b>2019-20 (Rs.)</b>	<b>2018-19 (Rs.)</b>
Operating Income	27,76,42,790	22,03,60,592
Other Income	9,78,99,753	69,11,773
<b>Total Income</b>	<b>37,55,42,544</b>	<b>22,72,72,365</b>
Employee Benefit Expenses	13,78,914	25,51,068
Finance Costs	27,23,17,858	20,25,26,275
Fees and Commission Expenses	69,06,996	1,08,66,778
Depreciation on Tangible Assets	1,09,911	14,228
Other Expenses	5,04,68,920	1,53,91,691
<b>Total Expenditure</b>	<b>33,11,82,599</b>	<b>23,13,50,040</b>
<b>Profit/(Loss) before Tax</b>	<b>4,43,59,945</b>	<b>(40,77,675)</b>
<b>Less: Current Tax</b>	90,000	5,44,000
<b>Less: Deferred Tax</b>	2,68,812	2,84,514
<b>Less: Income Tax for Earlier Year</b>	-	7,794
<b>Profit/(Loss) after Tax</b>	<b>4,40,01,133</b>	<b>(49,13,983)</b>
<b>Add: Other items of Ind-AS adjustments</b>	12511672	-
<b>Add: Balance brought forward from last year</b>	<b>36,82,79,196</b>	<b>37,31,93,179</b>
<b>Less: Transfer to Special Reserve (Under section 45-IC of Reserve Bank of India Act, 1934)</b>	88,00,227	-
<b>Balance Carried Forward</b>	<b>41,59,91,775</b>	<b>36,82,79,196</b>

**DIVIDEND**

No Dividend was declared for the current financial year.

**TRANSFER TO RESERVES**

During the year under review, the Company has transferred Rs. 88,00,227 to Special Reserve in compliance with Section 45-IC of the RBI Act, 1934.



### **STATE OF COMPANY'S AFFAIRS AND FUTURE PROSPECTS**

Your Company has improved its financial performance; it has managed to earn profit in the F.Y. 2019-20 after incurring losses for two consecutive years. Net Profit for the F.Y 2019-20 stood at Rs. 4,40,01,133 in comparison to the loss incurred in the year F.Y. 2018-19 of Rs. (49,13,983).

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.

### **CHANGE IN THE NATURE OF BUSINESS**

There has been no change in the nature of the business of the company during the year under review.

### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE REPORT OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE**

On March 24, 2020, the Government of India announced a strict 21-day lockdown across the country to contain the spread of SARS-CoV-2 virus responsible for COVID-19. The lockdown was extended till May 31, 2020. The Government has then permitted to restart the economic activities with strict precautionary measures from June 8, 2020. The operations of the Company were shut down as per the lockdown directives of Government as given on March 23, 2020. The administrative work of the company was continued through work from home facility to the best possible extent in order to comply with duly applicable legal framework.

Further, in compliance with the various directives of the Government, operations of the Company have been resumed in the permitted manner w.e.f. June 3, 2020. The operations at the office are currently working 35% so as to maintain social distancing. Many employees who belong from containment zone have been allowed the facility to work from home where their job duty permits it, until further notice by the management. In our efforts for the health and wellbeing of employees, steps have been taken to ensure efficient workplace; have moved meetings and trainings to virtual formats. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information focusing on supporting customers, employees and the local communities along with safe guarding the interest of all the stake holders.

The Reserve Bank of India ("RBI") has issued different notifications relating to Regulatory Packages on March 27, 2020, April, 17, 2020 and May 23, 2020 to elevate the temporary stress caused by the pandemic. The impact of the COVID-19 pandemic on the financial position of the company will depend on future developments, including among other things, extent and severity of the pandemic, mitigating actions by governments and regulators, time taken for economy to recover, etc..

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or outflow during the year under review.



**STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

The Risk Management Policy provides for identification of risk, assessment and procedures to minimize risk.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The company being a Non-Banking Financial Company, the provisions of Section 186 are not applicable to the company.

**STATUTORY AUDITORS:**

M/s. Agrawal Tondon & Co. (Firm Registration No. 329088E) has been appointed as the Statutory Auditor of the Company to hold the office for a period of five consecutive years from the conclusion of forty second Annual General Meeting till the conclusion of forty seventh Annual General. Further, the Company has received a certificate from the Auditors that they are eligible under Section 141 of the Companies Act, 2013 and are not disqualified to continue as Auditor of the Company.

Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee or Board of Directors of your Company.

**SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed Ms. Megha Modi, Company Secretary in Practice having COP No. 14871 and ACS No. 39088 as the Secretarial Auditor of the Company. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2020 is annexed herewith as "Annexure I".

**INTERNAL AUDITOR**

In compliance with the provisions of Section 138 read with rule 13(1) (b) of the Companies (Accounts) Rules, 2014 the Company has appointed M/s. Saraf & Chandra LLP, Chartered Accountants, as the Internal Auditors of the company for the F.Y. 2019-20.



**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report. The Report of the Secretarial Auditors also does not contain any qualification.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The policy of the company on Directors' appointment and remuneration including criteria of determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of Companies Act, 2013, as framed is followed by the Company.

**FORMAL ANNUAL EVALUATION:**

During the Financial year under review, the Board has carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, and Stakeholders Relationship Committees as mandated under the Act and SEBI Listing Regulations through self-assessment.

**EXTRACT OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in prescribed Form MGT-9 is furnished in "Annexure II" and is attached to this Report.

**NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The company has duly complied with section 173 of the Companies' Act 2013 read with the applicable Secretarial Standards pertaining to Meetings of Board of Directors of the Company.

During the year under review, Eleven (11) board meetings were convened and held. The date on which meeting were held are as follow 26<sup>th</sup> April 2019, 29<sup>th</sup> May, 2019, 28<sup>th</sup> June, 2019, 1<sup>st</sup> July, 2019, 16<sup>th</sup> August, 2019, 28<sup>th</sup> August, 2019, 30<sup>th</sup> September, 2019, 13<sup>th</sup> December, 2019, 15<sup>th</sup> January, 2020, 5<sup>th</sup> February, 2020 and 29<sup>th</sup> February, 2020.

**Composition and attendance of Directors at the meeting:**

Name of Directors	Category of Directors	No. of Board Meetings attended	
		Original	Adjourned *
Mr. Santinath Paul	Non - Executive Director	11	0
Mr. Vinit Agrawal	Independent Non-Executive Director	11	0
Ms. Vineeta Poddar (See Note (1) below)	Independent Woman Director	10	0
Ms. Jagdamba Kedia (See Note (1) below)	Independent Woman Director	10	0
Mr. Sudipta Dutta (See Note (2) below)	Additional Director	1	0
Ms. Shampa Paul (See Note (2) below)	Additional Director	1	0



Note (1)- Ms. Vineeta Poddar (DIN- 03628583) and Ms. Jagdamba Kedia (DIN- 07610293) resigned from their post as Independent Directors of the Company with effect from 28<sup>th</sup> February, 2020.

Note (2)-Mr. Sudipta Dutta (DIN: 08713289) and Ms. Shampa Paul (DIN: 07490402) were appointed as the Additional Directors of the Company with effect from 29<sup>th</sup> February, 2020.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement that:

1. in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the as at March 31, 2020 and of the profit or loss of the company for the year;
3. the directors had taken proper and sufficient care for the 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 fraud and other irregularities;
4. the directors have prepared the annual accounts on a going concern basis;
5. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
6. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:**

The Company's Internal Financial Control System are commensurate with the size, scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses in their either design or operations were observed. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss, proper prevention & detection of frauds & error, the accuracy and completeness of the accounting records, and all transactions are authorized, recorded and reported correctly.

The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies.



The Internal audit reports are placed before the Audit committee on quarterly basis and all findings and observation, if any are recorded thereon. The said observation and comments, if any of the Audit Committee are placed before the board. The Audit Committee advises on various risk mitigation exercises on a regular basis.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The company has received declarations from all the Independent Directors of the company confirming that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence, pursuant to Regulation 25 of the Listing Regulations.

#### **FAMILIARISATION PROGRAMMES UNDERTAKEN FOR INDEPENDENT DIRECTORS**

The Independent Directors are familiarized with the Company, their roles, their rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal induction program on the Company's operations and other important aspects.

#### **SUBSIDIARY COMPANY**

As on 31<sup>st</sup> March, 2020, Prestige Vyapaar Limited is the only Subsidiary of the company. In accordance with Section 129(3) of Companies Act, 2013, the company has prepared Consolidated Financial Statements of the Company and of all its subsidiaries, which is forming part of this Annual Report.

AOC-1 forms a part of this Annual report.

The Company does not have any Joint Ventures or Associate Companies.

#### **DEPOSITS**

During the year under review, the Company has not accepted any deposits from the public within the meaning of Master Direction-Non Banking Financial Company-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as updated till February 17, 2020 and thereafter, updated from time to time.

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

##### **Directors**

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company



During the year under review, Ms. Vineeta Poddar (DIN- 03628583) and Ms. Jagdamba Kedia (DIN- 07610293) resigned from their post as Independent Directors of the Company with effect from 28<sup>th</sup> February, 2020.

Furthermore, Mr. Sudipta Dutta (DIN: 08713289) and Mrs. Shampa Paul (DIN: 07490402) were appointed as the Additional Directors of the Company with effect from 29<sup>th</sup> February, 2020.

### **Key Managerial Personnel**

Mr. Mohit Arora resigned from the position of Company Secretary & Compliance officer w.e.f 29<sup>th</sup> February 2020.

Ms. Shreya Routh was appointed as the Company Secretary & Compliance Officer w.e.f 02<sup>nd</sup> March, 2020.

### **ROTATION OF DIRECTORS**

The Independent Directors hold office for a fixed period from the date of their appointment and are not liable to retire by rotation. Out of the remaining directors and in accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company Mr. Vinit Agrawal, Director of the company shall retire by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting of the company.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 the Company has constituted an Audit Committee comprising of Mr. Santinath Paul, Mr. Vinit Agrawal, Ms. Vineeta Poddar and Ms. Jagdamba Kedia as Members of the Committee. The Committee met 4 times during the financial year 2019-20 on 29.05.2019, 28.06.2019, 13.09.2019 and 05.02.2020.

### **VIGIL MECHANISM**

The Company has formulated a Vigil Mechanism as required under Section 177 of the Companies Act, 2013 which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct

### **GENERAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of Sweat equity shares.
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.



- There was no revision in the Financial Statements.
- There was no change in the nature of business.

### **NOMINATION & REMUNERATION COMMITTEE**

The Company has constituted Nomination & Remuneration committee as set in Section 178 of the Companies Act, 2013. The composition of Nomination & Remuneration Committee include Mr. Vinit Agrawal, Mr. Santinath Paul Ms. Jagdamba Kedia and Ms. Vineeta Poddar. The Committee met twice during the financial year 2019-20 on 26.09.2019 and 29.02.2020.

### **NOMINATION & REMUNERATION POLICY**

Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management (SM) of your Company. The Policy provides criteria for fixing remuneration of the Directors, KMPs, SMPs, functional heads as well as other employees, of the Company.

This remuneration policy also governs criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of Companies Act 2013 and regulations SEBI (LODR) Regulations and amendments thereof.

Your Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his / her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Independent Directors of the Company are appointed to hold their office for a term of upto five consecutive years on the Board of your Company and will be eligible for reappointment

On passing of a special resolution by the Company and disclosure of such appointment in the Board's report. Based on their eligibility for re-appointment, the outcome of their performance evaluation and the recommendation by the Nomination and Remuneration Committee, the Independent Directors may be reappointed by the Board for another term of five consecutive years, subject to approval of the Members of the Company.

While determining remuneration of the Directors, KMPs, SMs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and ensure the quality required to run the Company successfully. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Directors, Key Managerial Personnel and others.



#### **ASSET LIABILITY MANAGEMENT COMMITTEE**

The Company had constituted Asset Liability Management Committee. Members of the Committee are Mr. Santinath Paul, Mr. Vinit Agarwal, Mrs. Vineeta Poddar and Mrs. Jagdamba Kedia. They have met on 26.09.2019 to conduct the meeting.

#### **INVESTMENT AND LOAN COMMITTEE**

The Company had constituted Investment and Loan Committee. Members of the Committee are Mr. Santinath Paul, Mr. Vinit Agarwal, Mrs. Vineeta Poddar and Mrs. Jagadamba Kedia. They have met on 26.09.2019 to conduct the meeting.

#### **RISK COMMITTEE**

The Company had constituted Risk Committee. Members of the Committee are Mr. Santinath Paul, Mr. Vinit Agarwal, Mrs. Vineeta Poddar and Mrs. Jagadamba Kedia. They have met on 26.09.2019 to conduct the meeting.

#### **INFORMATION TECHNOLOGY STRATEGY COMMITTEE**

During the year under review, the Company constituted an Information Technology Strategy Committee pursuant to the provisions of Reserve Bank of India Master Direction- Information Technology Framework for the NBFC Sector, comprising of Mr. Vinit Agarwal, Mr. Santinath Paul and Mr. Venkata Rao Damera (Chief Technology Officer (CTO) cum Chief Information Officer (CIO) as its members. The members of the Committee met twice on 15.01.2020 and 29.02.2020.

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

The Company has in place an Anti-harassment policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Awareness programmes are conducted at unit levels to sensitize the employees to uphold the dignity of their female colleagues at workplace.

Your company affirms that during the year under review adequate access was provided to any complainant who wished to register a complaint under the policy. No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended 31.03.2020.

#### **SHARES CAPITAL**

During the year under review, there has been no change in the share capital of the company.



**NON-SYSTEMICALLY IMPORTANT NON BANKING FINANCIAL (NON - DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2015**

In terms of paragraph 13 of the NBFC Regulations, the particulars as applicable to the Company, are appended to the Balance Sheet.

**RISK MANAGEMENT POLICY:**

Pursuant to section 134(3)(n) of Companies Act 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, your company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has a different risk model which helps in identifying risk trends, exposure and potential impact analysis at a company level. The key business risk identified by the Company are related to Market Risk, Operational Risk, Interest Risk, Credit Risk, Liquidity Risk, Human Resource Risk and Regulation & Compliance and other related which are covered in MDA report which forms part of this Annual Report.

**CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:**

Corporate Governance regulations pertaining to Reg 23 of SEBI(LODR) Regulations 2015 are not applicable for your Company. Pursuant to sec 188 of Companies Act 2013, all transactions entered into with related parties during the year were on arm's length basis and were in the ordinary course of business. The details of the transactions with related parties during FY 2019-20 are provided in the accompanying notes to the financial statements.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**PARTICULARS OF EMPLOYEES :**

In accordance with the provision of section 197(12) of Companies Act 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particular of every employee covered under the said rule are available at the registered office of the company during the workings hours for a period of 21 days before the Annual General Meeting and will be made available to any shareholder on request.



### **SECRETARIAL STANDARDS**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

### **DISCLOSURES PERTAINING TO MAINTENANCE OF COST RECORDS PURSUANT TO SECTION 148(1) OF THE COMPANIES ACT, 2013**

The Company is not required to maintain cost records as specified u/s 148(1) of the Companies Act, 2013 read with the applicable rules thereon for the FY 2019-2020.

### **BOARD DIVERSITY**

The Company recognizes and embraces the importance of a diverse board in its growth and development. The Company believes that a combination of Board having different skill set, industry experience, varied background and gender diversity will bring a variety of experience and viewpoints, which will add to the strength of the Company.

### **CORPORATE GOVERNANCE:**

Your Company does not have a paid up capital exceeding 10 crores and the Networth does not exceed Rs 25 Crores, hence the compliance with Corporate Governance Provisions as specified in Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27, 46(b) –(i) and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are not applicable for your Company.

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the report on Management Discussion & Analysis forms part of the Annual Report.

### **LISTING**

The shares of the company are listed on the following stock exchanges:

**The Calcutta Stock Exchange Limited**

Listing Department

7, Lyons Range

Kolkata – 700 107

### **LISTING FEES**

The Company has paid the Annual Listing Fees for the Financial Year 2019-20 to the Stock Exchange.

### **NON-SYSTEMICALLY IMPORTANT NON BANKING FINANCIAL (NON – DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2015**

In terms of Master Direction-Non Banking Financial Company-Systematically Important Non-Deposit taking Company and deposit taking company (Reserve Bank) 2016 as updated till February 17, 2020 and thereafter, updated from time to time.

### **ACKNOWLEDGEMENT**

Your Directors would like to acknowledge and place on record their sincere appreciation of all stakeholders- shareholders, bankers, dealers, vendors and other business partners for the excellent support received from them during the year under review. Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

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

  
  
**Santinath Paul**  
**Director**  
**03190144**

  
  
**Vinit Agrawal**  
**Director**  
**06944709**

**Registered office:**

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**Dated: July 31, 2020**



## **ANNEXURE TO THE BOARD'S REPORT**

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

(i) The Directors of the Company do not draw any remuneration and so the ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2019-20 Sec 197 of Companies act 2013 is not applicable.

<b>Name of the Directors &amp; KMP with Designation</b>	<b>% of Increase in Remuneration in FY 2019-20</b>	<b>Ratio of the remuneration of each director /KMP to median remuneration of the employee</b>
Mr. Santinath Paul, Director & CFO	Nil	Nil
Mr. Vinit Agrawal, Director	Nil	Nil
Mr. Mohit Arora, CS (till 29.02.2020)	Nil	Nil
Ms. Shreya Routh, CS (w.e.f 02.03.2020)	N.A	Nil
Mr. Sudip Pramanik, Manager	4.13%	Nil

- (ii) The percentage increase in the median remuneration of Employees in the financial year was 5.17%
- (iii) There were 4 permanent employees on the rolls of Company at the beginning of the year and 4 employees as on 31.03.2020.
- (iv) Average percentile increase made in the salaried employees other than KMP in the last financial year was 6.52% and whereas the increase in the Managerial remuneration of KMP for the same F.Y. was 4.13%.
- (v) The employees who were employed for almost the entire year have been considered for the median and the percentage of increase in remuneration.
- (vi) It is hereby confirmed that the remuneration paid to all directors, KMP, Senior Managerial personnel and all other employees of the Company during the FY ended 31st March 2020, were as per the Nomination & Remuneration Policy of the Company.



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **ECONOMIC OVERVIEW**

The Indian economy has been undergoing a protracted slowdown as the Novel Coronavirus (Covid-19) has cast a long shadow over a much-anticipated mild recovery in the Indian economy in fiscal 2021, with the World Health Organization (WHO) declaring it a pandemic. Rating agencies, both global and domestic, are unanimous that the Covid-19 pandemic will be an economic tsunami for the world economy. It is expected that India's gross domestic product growth to strengthen to 6.2% in FY22, boosted by government reforms.

According to the statement given by the Governor of the Reserve Bank of India on 22<sup>nd</sup> May 2020, "the macroeconomic and financial conditions are austere. The global economy is inexorably headed into a recession. The global manufacturing purchasing managers index (PMI) contracted to an 11-year low in April 2020. The global services PMI recorded its steepest decline in the history of the index."

Domestic economic activity has been impacted severely by the 2 months lockdown. The biggest blow from COVID-19 has been to private consumption, which accounts for about 60 percent of domestic demand. The production of consumer durables fell by 33 percent in March 2020, accompanied by a 16 percent decline in the output of non-durables. Similar indications are reflected in surveys of the fast-moving consumer goods space.

During the year, the government has taken several steps to lift growth, including a cut in corporate tax rates, a real estate fund for stressed housing projects, and a national infrastructure pipeline. The Union Budget 2020 has focused on long-term policy direction, agricultural sector, education, infrastructure, healthcare, financial services, and improving ease of doing business and better tax governance. There is also a strong message towards gaining people's confidence and trust through assurance about the stability of the banking system, making proposals like decriminalizing specific provisions in the Companies Act, 2013, relooking at other laws, fine-tuning the Contract Act, increasing the deposit insurance and creating a taxpayers' charter in the statute to prevent harassment.

### **OPPORTUNITIES & THREATS**

Defaults by a large NBFC and HFC in 2018 - 19 continued to cast its shadow on the NBFC sector through the year. The NBFCs witnessed stress in their asset quality during the first half-year of 2019-20.

As part of the response to the economic challenges faced by the industry, RBI has been announcing various measures that will aid in liquidity flow into the system and should give relief to NBFCs.

The importance of NBFCs in credit intermediation is growing, the default by a large NBFC brought the focus on the asset-liability mismatches of NBFCs, which poses risks to the NBFC sector as well as the financial system as a whole. To address such concerns, the Reserve Bank introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and



non-deposit taking NBFCs with an asset size of INR 5,000 crores and above (constituting 87 percent of the total assets of the NBFC sector). The new regulation mandates NBFCs to maintain a minimum level of high-quality liquid assets to cover expected net cash outflows in a stressed scenario. NBFCs are required to reach a LCR of 100 percent over a period of 4 years commencing from December 2020.

However, COVID-19 sent financial markets in India as also the world into a tailspin. Financial institutions were faced with liquidity stress, loss of access to funding, and tightening of financial conditions amidst disruption of cash flows and working capital cycles. The Reserve Bank deployed several conventional and unconventional tools to restore orderly conditions in financial markets and maintain the normal functioning of financial intermediaries. As a result, markets have remained resilient, liquid, and stable, establishing conditions for a finance-led recovery of the economy ahead of the revival of demand.

#### Highlights:

- The abundant surplus liquidity in the system has ensured that the short-term rates have remained anchored and soft relative to the policy repo rate, aiding monetary policy transmission with positive spillovers to other segments of the market spectrum.
- Despite the increase in government borrowings and the significant loss of revenue due to the lockdown, the Government securities (G-secs) market has remained resilient and stable owing to targeted interventions by the Reserve Bank comprising Long term Repo Operations (LTROs), outright Open Market Operations (OMO) purchases and Operation Twists. A combination of aggressive policy easing and the liquidity measures have caused yields on G-Secs to drop to their lowest level in more than a decade. However, long-term rates have not fallen commensurately with short-term rates, steepening the G-Sec yield curve.
- Targeted liquidity provision through LTROs and Targeted Long Term Repo Operations (TLTROs) has brought down financing costs in the corporate bond market to decadal lows, eased the access of non-AAA rated entities, and led to record primary issuances. These measures have also rekindled the risk appetite, as evinced in the compression of spreads of corporate bond yields over similar tenor G-Secs from the elevated levels witnessed in the last week of March 2020.
- Additionally, TLTROs, complemented and backstopped by the special refinance facilities provided to All India Finance Institutions (AIFIs), have helped channelize liquidity to small and mid-sized corporates, including Non-Banking Financial Companies (NBFCs) and microfinance institutions (MFIs).

\*\*\*\*\*(Data Sources: Industry, RBI and Rating Agency reports)

#### **OPERATIONS**

The Operational Performance of the Company had a positive impact. The revenue from operations for the F.Y 2019-20 stood at Rs 27,76,42,790 compared to Rs 22,03,60,592 in the F.Y 2018-19.



Net Profit/Loss After tax of the Company stood at Rs. 4,40,01,133 compared to Rs. (49,13,983) in F.Y 2018-19.

The Total Asset size of the Company as of March 31, 2020, decreased to INR 281.96 Crore from INR 297.93 Crore in the previous year.

### **SEGMENT WISE PERFORMANCE**

The details concerning the segment-wise performance of the Company are mentioned in the notes forming part of the financial statements.

### **OUTLOOK**

The combined impact of demand compression and supply disruption will depress economic activity in the first half of the year. Assuming that economic activity gets restored in a phased manner, especially in the second half of this year, and taking into consideration favorable base effects, it is expected that the combination of fiscal, monetary and administrative measures being currently undertaken would create conditions for a gradual revival in activity in the second half of 2020-21. Nonetheless, downside risks to this assessment are significant and contingent upon the containment of the pandemic and quick phasing out of social distancing/lockdowns.

### **RISK MANAGEMENT**

Risk Management is an ongoing process at the Company. The Board of Directors has constituted a Risk Management Committee and has also defined the role and responsibilities of the Risk Management Committee. The risk management systems of the Company remain ever strong, and yet, all the more focus is being laid on them so that the Company can smoothly move to the next level, with a far bigger loan book and exposure across a greater number of clients and entities.

### **FRAUD MONITORING AND CONTROL**

The Company has put in place a whistleblower policy. Frauds are investigated to identify the root cause and relevant corrective steps are taken to prevent a recurrence. Fraud prevention at the senior management level also deliberate on material fraud events and initiate preventive action. Periodic reports are submitted to the senior management committees.

### **SERVICE QUALITY INITIATIVE**

The Reserve Bank of India extended the system of Ombudsman for redressal of complaints against deficiency in services concerning loans and advances and other specified matters to NBFCs in April 2019. Accordingly, the Company had appointed Nodal Officers for representing the Company and furnishing information to the Ombudsman in respect of complaints filed against the Company.



During the year under review, No awards were passed by the Office of the Ombudsman for Non-Banking Financial Companies.

### **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements as per applicable laws comprise the financial statements of the Company and its controlled structured entities (collectively known as 'the Group'). The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

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

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly and adequately. The Internal control system provides for well-documented policies, guidelines, authorizations, and approval procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the company.

### **IT SECURITY**

Your Company is governed by the IT framework recommended by RBI and various initiatives have been implemented in the area of IT and Cybersecurity to ensure industry-standard security framework. The operational processes are in place to monitor and manage the effectiveness of the security initiatives taken by the company.

### **HUMAN RESOURCES**

The Company considers its employees to be the most valuable asset and is committed to providing a conducive work environment to enable each individual employee to fully realize his or her potential. One of the cornerstones of the company culture is teamwork and continuous learning. To promote this, the company focused on supporting people to unlock their potentials and to enable them to work with a superior team spirit.

### **CAUTIONARY STATEMENTS**

This presentation and the following discussion may contain "forward-looking statements" by the Company that are not historical in nature. These forward-looking statements, which may include statements relating to a future state of affairs, results of operations, financial condition, business prospects, plans, and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management about the business, industry, and markets in which the Company operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of the Company. It should be noted that the actual performance or achievements of the Company may vary significantly from such statements.

### **ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and Government Bodies, Company's Auditors, Customers, Bankers, Promoters, and Shareholders.

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication, and loyalty to the Company which has helped the Company maintain its growth.



Annexure-II					
FORM NO. MGT 9					
EXTRACT OF ANNUAL RETURN					
as on the financial year ended on 31.03.2020					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company(Management & Administration) Rules, 2014					
I	<b>REGISTRATION &amp; OTHER DETAILS:</b>				
i	CIN	L27310WB1977PLC031117			
ii	Registration Date	9th August, 1977			
iii	Name of the Company	Premier Ferro Alloys & Securities Limited			
iv	Category/Sub-category of the Company	Public Company Limited by Shares / Indian Non-Government Company			
v	Address of the Registered Office & contact details	687, Anandapur, E.M. Bypass, 2nd Floor, Kolkata- 700107 033-66136264 panemamics@emamigroup.com			
vi	Whether listed company	Yes			
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NIL			
II	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>				
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company		
1	Financial Service Activities	64990	100%		
III	<b>PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES</b>				
Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Prestige Vyapaar Limited	U51109WB1996PLC077004	Subsidiary	100% along with its Nominee Shareholders	2(87)

**IV. Shareholding Pattern(Equity Share Capital Breakup as percentage of Total Equity) as on 31st March, 2020**

**(I) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2019]				No of Shares held at the end of the year [As on 31-March-2020]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	200820	200820	18.16	-	200820	200820	18.16	-
b) Central Govt(s)	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	11000	11000	0.99	-	11000	11000	0.99	-
e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	-	<b>211820</b>	<b>211820</b>	<b>19.16</b>	-	<b>211820</b>	<b>211820</b>	<b>19.16</b>	-
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>0</b>	<b>211820</b>	<b>211820</b>	<b>19.16</b>	-	<b>211820</b>	<b>211820</b>	<b>19.16</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	-	548976	548976	49.65	-	548976	548976	49.65	-
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	61600	61600	5.57	-	61600	61600	5.57	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	283200	283200	25.62	-	283200	283200	25.62	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2):</b>	-	<b>893776</b>	<b>893776</b>	<b>80.844</b>	-	<b>893776</b>	<b>893776</b>	<b>80.84</b>	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	<b>893776</b>	<b>893776</b>	<b>80.844</b>	-	<b>893776</b>	<b>893776</b>	<b>80.84</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>1105596</b>	<b>1105596</b>	<b>100.00</b>	-	<b>1105596</b>	<b>1105596</b>	<b>100.00</b>	-



## (ii) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% 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	Amitabh Goenka	35010	3.17	-	35010	3.17	-	-
2	Ashish Goenka	35000	3.17	-	35000	3.17	-	-
3	Bajrang Lal Agarwal	100	0.01	-	100	0.01	-	-
4	Bhanu Vyapaar Private Limited	8800	0.80	-	8800	0.80	-	-
5	Dhiraj Agarwal	10	0.00	-	10	0.00	-	-
6	Dwarka Das Agarwal	10	0.00	-	10	0.00	-	-
7	Raviraj Vinayog Private Limited (PKA : Emami Enclave Makers Pvt Ltd)	2200	0.20	-	2200	0.20	-	-
8	Harsh Vardhan Agarwal	10	0.00	-	10	0.00	-	-
9	Indu Goenka	100	0.01	-	100	0.01	-	-
10	Kusum Agarwal	10	0.00	-	10	0.00	-	-
11	Madan Lal Agarwal	10	0.00	-	10	0.00	-	-
12	Manish Goenka	10	0.00	-	10	0.00	-	-
13	Mohan Goenka	10	0.00	-	10	0.00	-	-
14	Priti Sureka	10	0.00	-	10	0.00	-	-
15	Radhe Shyam Goenka	110	0.01	-	110	0.01	-	-
16	Radhe Shyam Agarwal	110	0.01	-	110	0.01	-	-
17	Raj Kumar Goenka	18300	1.66	-	18300	1.66	-	-
18	Ratni Devi Goenka	100	0.01	-	100	0.01	-	-
19	Richa Agarwal	110	0.01	-	110	0.01	-	-
20	Sangita Agarwal	30100	2.72	-	30100	2.72	-	-
21	Santosh Goenka	74700	6.76	-	74700	6.76	-	-
22	Saroj Goenka	100	0.01	-	100	0.01	-	-
23	Savitri Devi Agarwal	6590	0.60	-	6590	0.60	-	-
24	Shanti Devi Agarwal	100	0.01	-	100	0.01	-	-
25	Smriti Agarwal	10	0.00	-	10	0.00	-	-
26	Sushil Kumar Goenka	100	0.01	-	100	0.01	-	-
27	Usha Agarwal	100	0.01	-	100	0.01	-	-
	<b>TOTAL</b>	<b>211820</b>	<b>19.16</b>	<b>-</b>	<b>211820</b>	<b>19.16</b>	<b>-</b>	<b>-</b>

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.	Shareholders Name	Share holding at the beginning of the Year (01-04-2019)		Share holding at the beginning of the Year (31-03-2020)		Date	Increase/decrease in shareholding	Reason	Cumulative Share holding 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	Amitabh Goenka	35010	3.17	35010	3.17	-	No change during the year	-	35010	3.17
2	Ashish Goenka	35000	3.17	35000	3.17		No change during the year	-	35000	3.17
3	Bajrang Lal Agarwal	100	0.01	100	0.01		No change during the year	-	100	0.01
4	Bhanu Vyapaar Private Limited	8800	0.80	8800	0.80		No change during the year	-	8800	0.80
5	Dhiraj Agarwal	10	0.00	10	0.00		No change during the year	-	10	0.00
6	Dwarka Das Agarwal	10	0.00	10	0.00		No change during the year	-	10	0.00
7	Raviraj Viniyog Private Limited (FKA : Emami Enclave Makers Pvt Ltd)	2200	0.20	2200	0.20		No change during the year	-	2200	0.20
8	Harsh Vardhan Agarwal	10	0.00	10	0.00	-	No change during the year	-	10	0.00
9	Indu Goenka	100	0.01	100	0.01	-	No change during the year	-	100	0.01
10	Kusum Agarwal	10	0.00	10	0.00	-	No change during the year	-	10	0.00
11	Madan Lal Agarwal	10	0.00	10	0.00	-	No change during the year	-	10	0.00
12	Manish Goenka	10	0.00	10	0.00	-	No change during the year	-	10	0.00



13	Mohan Goenka	10	0.00	10	0.00	-	No change during the year	-	10	0.00
14	Priti Sureka	10	0.00	10	0.00	-	No change during the year	-	10	0.00
15	Radhe Shyam Goenka	110	0.01	110	0.01	-	No change during the year	-	110	0.01
16	Radheshyam Agarwal	110	0.01	110	0.01	-	No change during the year	-	110	0.01
17	Raj Kumar Goenka	18300	1.66	18300	1.66	-	No change during the year	-	18300	1.66
18	Ratni Devi Goenka	100	0.01	100	0.01	-	No change during the year	-	100	0.01
19	Richa Agarwal	110	0.01	110	0.01	-	No change during the year	-	110	0.01
20	Sangita Agarwal	30100	2.72	30100	2.72	-	No change during the year	-	30100	2.72
21	Santosh Goenka	74700	6.76	74700	6.76	-	No change during the year	-	74700	6.76
22	Saroj Goenka	100	0.01	100	0.01	-	No change during the year	-	100	0.01
23	Savitri Devi Agarwal	6590	0.60	6590	0.60	-	No change during the year	-	6590	0.60
24	Shanti Devi Agarwal	100	0.01	100	0.01	-	No change during the year	-	100	0.01
25	Smriti Goenka	10	0.00	10	0.00	-	No change during the year	-	10	0.00
26	Sushil Kumar Goenka	100	0.01	100	0.01	-	No change during the year	-	100	0.01
27	Usha Agarwal	100	0.01	100	0.01	-	No change during the year	-	100	0.01

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Shareholders Name	Shareholding at the beginning of the year (01-04-2019)					Shareholders Name	Shareholding at the end of the year (31-03-2020)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	% of shares pledged encumbered to total shares	No. of shares		% of total shares of the company	% of shares pledged encumbered to total shares		
1	Namaskar Fashions Private Limited	75000	6.78	-	-	Namaskar Fashions Private Limited	75000	6.78	-	-	
2	Mayank Securities Private Limited	53344	4.82	-	-	Mayank Securities Private Limited	53344	4.82	-	-	
3	Sripati Builders Private Limited	52100	4.71	-	-	Sripati Builders Private Limited	52100	4.71	-	-	
4	Mangalkripa Commodities Private Limited	51569	4.66	-	-	Mangalkripa Commodities Private Limited	51569	4.66	-	-	
5	Heaven Tradelink Private Limited	51344	4.64	-	-	Heaven Tradelink Private Limited	51344	4.64	-	-	
6	Jaya Mercantiles Private Limited	50000	4.52	-	-	Jaya Mercantiles Private Limited	50000	4.52	-	-	
7	Innova Commercial Private Limited	49700	4.50	-	-	Innova Commercial Private Limited	49700	4.50	-	-	
8	Sairama Housing Estates Private Limited (FKA : Bonus Retail Pvt Ltd Private Limited)	49369	4.47	-	-	Sairama Housing Estates Private Limited (FKA : Bonus Retail Pvt Ltd Private Limited)	49369	4.47	-	-	
9	Kishaloy Agencies Private Limited	48550	4.39	-	-	Kishaloy Agencies Private Limited	48550	4.39	-	-	
10	Suruchi Suppliers Private Limited	48000	4.34	-	-	Suruchi Suppliers Private Limited	48000	4.34	-	-	
	<b>Total</b>	<b>528976</b>	<b>47.85</b>	-	-	<b>Total</b>	<b>528976</b>	<b>47.85</b>	-	-	

(v) Shareholding of Directors and Key Managerial Personnel

Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nil	-	-	-	-



V		INDEBTEDNESS			
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (i.e. as on 01.04.2019)					
i) Principal Amount		2,30,00,00,000	1,65,00,000	-	2,31,65,00,000
ii) Interest due but not paid		12,20,547	1,97,03,692	-	2,09,24,239
iii) Interest accrued but not due		-	-	-	-
Total (i+ii+iii)		2,30,12,20,547	3,62,03,692	-	2,33,74,24,239
Change in Indebtedness during the financial year					
Additions (Principal)		1,50,00,00,000	11,43,05,97,631	-	12,93,05,97,631
Reduction (Principal)		3,30,00,00,000	10,02,47,97,631	-	13,32,47,97,631
Net Change		-1,80,00,00,000	1,40,58,00,000	-	-39,42,00,000
Indebtedness at the end of the financial year (i.e. as on 31.03.2020)					
j) Principal Amount		50,00,00,000	1,42,23,00,000	-	1,92,23,00,000
ii) Interest due but not paid		-	97,377	-	97,377
iii) Interest accrued but not due		-	20,11,34,740	-	20,11,34,740
Total (i+ii+iii)		50,00,00,000	1,62,35,32,117	-	2,12,35,32,117
VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A. Remuneration to Managing Director, Whole time director and/or Manager:					
Sl.No	Particulars of Remuneration				
1	Gross salary	Managing Director	Whole Time Director	Manager (Sudip Pramanik)	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	-	-	4,22,505	4,22,505
	(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	-	-		
2	Stock option	-	-		
3	Sweat Equity	-	-		
4	Commission	-	-		
	as % of profit	-	-		
	others (specify)	-	-		
5	Others (PF, Bonus, Medical, Leave, I.TA)	-	-		
	Total (A)	-	-	4,22,505	4,22,505
	Ceiling as per the Act	-	-	-	-

<b>B.</b>	<b>Remuneration to other directors:</b>				
Sl. No	Particulars of Remuneration	Name of the Directors			Total
1	Independent Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>	-	-	-	-
<b>C.</b>	<b>Remuneration to Key Managerial Personnel other than - MD/MANAGER/WTD</b>				
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CFO	Company Secretary		
			Mohit Arora	Shreya Routh	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	3,99,513	27,677	4,27,190
	(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	-			
2	Stock Option	-			
3	Sweat Equity	-			
4	Commission	-			
	as % of profit	-			
	others, specify	-			
5	Others (PF, Bonus, Medical, Leave, LTA)				
	<b>Total</b>	-	3,99,513	27,677	4,27,190



[illegible]

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Premier Ferro Alloys & Securities Limited

Report on the Audit of the Standalone Ind-AS Financial Statements

**Opinion**

We have audited the standalone Ind-AS financial statements of Premier Ferro Alloys & Securities Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind-AS financial statements 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.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, 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 in the 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.





**Key Audit Matters**

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

Key Audit Matters	Method of dealing with the matter
1.) Ind AS 109 specifies that financial instruments are to be valued at fair value. Considering, that there may be a significant increase in reserves due to fair valuation of investments, we have identified it as a key audit matter.	Our audit procedure involved the following:- <ul style="list-style-type: none"><li>• Evaluating the management judgement about classification of investment in equity instruments as measured at fair value through other comprehensive income.</li><li>• Review of the valuation of equity instruments arrived at, on the basis of valuation report.</li><li>• Review of corresponding deferred tax adjustments on fair valuation of equity instruments, including the adjustments on disposal of the investments.</li></ul>
2.) Ind AS 109 specifies the entity to recognise Expected Credit Losses (ECL), which is a significant departure from the Incurred Loss Model, as being followed earlier.  Considering the company is a Non Bank Financial Company, we have identified this matter to be key audit matter.	Our audit procedure involved the following:- <ul style="list-style-type: none"><li>• Assessment of the assumptions made, and inputs considered in ECL model.</li></ul>

**Responsibility of Management for standalone Ind-AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance, 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone Ind-AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the standalone Ind-AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind-AS 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 scepticism 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.
- 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.
- 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. 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 audit for the preceding year was conducted by the predecessor auditor whose audit report dated 29<sup>th</sup> May, 2019 expressed an unmodified opinion.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including the statement of other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid standalone Ind-AS 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 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) For the year ended March 31, 2020 the Company has not paid any managerial remuneration to its directors as mentioned in section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i.) The Company does not have any pending litigations which would impact its financial position.
  - ii.) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii.) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



# Agrawal Tondon & Co.

CHARTERED ACCOUNTANTS  
Firm Registration No. : 329088E

Room No. : 7, 1st Floor, 59 Bentinck Street  
Kolkata - 700 069  
Website - [www.agrawalsanjay.com](http://www.agrawalsanjay.com)  
E-mail Id : [agrawaltondon2019@gmail.com](mailto:agrawaltondon2019@gmail.com)

Place: Kolkata  
Date: 31<sup>st</sup> July, 2020

For Agrawal Tondon & Co.  
Chartered Accountants  
FRN No. 329088E  
  
Radhakrishnan Tondon  
Partner  
Membership Number: 060534  
UDIN: 20060534AAAACC9849





## ANNEXURE-A

The annexure referred to in Independent Auditor's Report to the members of the company on the standalone Ind-AS financial statements for year ended 31<sup>st</sup> March, 2020, we report that:-

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
  
(b) The property, plant and equipment were physically verified during the year by management in accordance with a phased programme of verification which, in our opinion, provides for physical verification of property, plant & equipment, at reasonable intervals. According to the explanation given to us, no material discrepancies were noticed on such verification.  
  
(c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property as on the reporting date.
- (ii) The company is engaged in business of providing financial services and thus, is not required to maintain inventory records. Consequently, the requirements of reporting as per paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has granted loans to a company, covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). We report that:-
  - (a) The terms and conditions of the grant of such loan are not prejudicial to the company's interest.
  - (b) We are unable to comment on the repayments of the principal on absence of a repayment schedule. The repayment of interest are regular, as and when due.
  - (c) No amount was overdue, for more than 90 days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act. The company being a Non-Bank Financial Company, the provisions of section 186 of the Act except sub-section 1, with respect to the loans, investments are not applicable for the company.
- (v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 as amended.
- (vi) As explained to us, the Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Goods & Services Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as



at March 31, 2020 for a period of more than six months from the date on which they became payable.

(b) According to the information and explanations given to us, there are no dispute dues in respect of Income Tax, Goods & Services Tax, Cess and other material statutory dues applicable on the company.

(viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in the repayment of dues to banks, government and financial institutions.

(ix) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company for the purposes for which the loans were obtained.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) For the year ended March 31, 2020 the Company has not paid any managerial remuneration to its directors as mentioned in section 197 read with Schedule V to the Act. Therefore, reporting under paragraph 3(xi) of the Order is not applicable.

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

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable.

(xvi) According to the information and explanation given to us, the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.





**ANNEXURE- B**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Premier Ferro Alloys and Securities Limited** as of March 31, 2020 to the extent of records available with us in conjunction with our audit of the financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2020.

**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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the



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

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

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

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

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

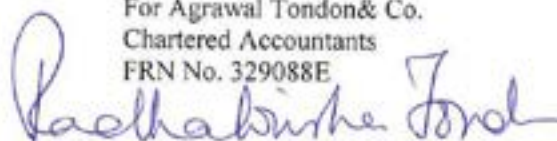
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essentials components of the 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.

Place: Kolkata  
Date: 31<sup>st</sup> July, 2020

For Agrawal Tondon & Co.  
Chartered Accountants  
FRN No. 329088E



Radhakrishnan Tondon  
Partner  
Membership Number: 060534  
UDIN: 20060534AAAACC9849





PREMIER FERRO ALLOYS & SECURITIES LIMITED  
CIN: L27310WB1977PLC031117  
STANDALONE BALANCE SHEET AS AT 31ST MARCH ' 2020

	Note No.	AS AT 31.03.2020 Amount (Rs.)	AS AT 31.03.2019 Amount (Rs.)	AS AT 01.04.2018 Amount (Rs.)
<b>ASSETS</b>				
<b>1 FINANCIAL ASSETS</b>				
(a) Cash and Cash Equivalents	2.01	2,06,30,571	39,35,860	26,28,583
(b) Loans	2.02	1,94,01,73,066	2,09,34,30,363	80,60,07,180
(c) Investments	2.03	76,43,45,499	66,95,37,281	59,15,41,426
(d) Other Financial Assets	2.04	5,96,97,829	18,94,41,966	5,78,81,779
<b>2 NON-FINANCIAL ASSETS</b>				
(a) Property, Plant & Equipment	2.05	6,568	18,417	32,645
(b) Other Non-Financial Assets	2.06	3,41,45,686	2,29,31,332	1,81,68,597
Right of Use Asset		5,31,713	-	-
<b>TOTAL</b>		<b>2,81,95,30,932</b>	<b>2,97,92,95,239</b>	<b>1,47,62,60,210</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1 FINANCIAL LIABILITIES</b>				
(a) Payables	2.07	-	-	-
i) total outstanding dues of micro enterprises and small enterprises		-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		12,50,796	27,90,706	3,34,504
(b) Borrowings	2.08	1,92,23,00,000	2,31,65,00,000	81,65,00,000
(c) Other Financial Liabilities	2.09	20,17,49,471	2,12,99,287	10,52,42,679
<b>2 NON-FINANCIAL LIABILITIES</b>				
(a) Provisions	2.10	1,59,679	1,50,378	2,13,882
(b) Other Non-Financial Liabilities	2.11	2,32,09,117	1,23,73,195	11,90,723
(c) Deferred Tax Liabilities (Net)	2.12	16,12,19,074	17,17,46,935	15,11,73,133
(d) Lease Liability		5,39,949	-	-
<b>3 EQUITY:</b>				
(a) Equity Share Capital	2.13	1,10,55,960	1,10,55,960	1,10,55,960
(b) Other Equity		49,80,46,886	44,33,78,779	39,05,46,329
<b>TOTAL</b>		<b>2,81,95,30,932</b>	<b>2,97,92,95,239</b>	<b>1,47,62,60,210</b>

Significant Accounting Policies

Refer accompanying notes to the Financial Statements.

In terms of our attached report of even date

For AGRAWAL TONDON & CO.

Chartered Accountants

ICAI Firm Registration No. 329088E

Radhakrishnan Tondon  
Partner  
Membership No. 060534

Place: Kolkata  
Dated : 31st July, 2020



For and on behalf of the Board

Santinarth Paul  
CFO & Director  
DIN: 03190144

Vinit Agrawal  
Director  
DIN: 06944709

Shreya Routh  
Company Secretary  
Membership No. A56945

PREMIER FERRO ALLOYS & SECURITIES LIMITED

CIN: L27310WB1977PLC031117

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH ' 2020

	Note No.	For the year ended 31.03.2020 Amount (Rs.)	For the year ended 31.03.2019 Amount (Rs.)
<b>INCOME</b>			
Revenue from Operations			
(i) Interest Income	2.14	27,74,94,281	21,36,42,163
(ii) Net Gain on Fair Value Changes		1,48,509	67,18,429
Other Income	2.15	9,78,99,753	69,11,773
<b>TOTAL REVENUE (I)</b>		<b>37,55,42,543</b>	<b>22,72,72,365</b>
<b>EXPENDITURE</b>			
Finance Costs	2.16	27,23,17,858	20,25,26,275
Fees and Commission Expenses	2.17	69,06,996	1,08,66,778
Employee Benefit Expenses	2.18	13,78,914	25,51,068
Depreciation & Amortisation	2.19	1,09,911	14,228
Other Expenses	2.20	5,04,68,920	1,53,91,691
<b>TOTAL EXPENSES (II)</b>		<b>33,11,82,599</b>	<b>23,13,50,040</b>
Earnings before exceptional items and tax (I-II)		4,43,59,944	(40,77,675)
Tax Expenses :			
- Current Tax		90,000	5,44,000
- Deferred Tax		2,68,812	2,84,514
- Income Tax for Earlier Year		-	7,794
Total Tax Expenses		3,58,812	8,36,308
Profit / (Loss) after Tax		4,40,01,132	(49,13,984)
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit & Loss			
Fair Value Gain on Equity Instruments		(1,13,045)	7,79,95,855
Remeasurement Gains of Defined Benefit Obligation		1,502	39,865
Tax on items that will not be reclassified to Profit & Loss		29,001	(2,02,89,287)
		(82,542)	5,77,46,433
<b>Other Comprehensive Income</b>		<b>(82,542)</b>	<b>5,77,46,433</b>
<b>Total Comprehensive Income for the year</b>		<b>4,39,18,590</b>	<b>5,28,32,449</b>
Earning Per Share			
Basic		39.80	(4.44)
Diluted		39.80	(4.44)

Refer accompanying notes to the Financial Statements.

2.01 to 2.37

In terms of our attached report of even date

For AGRAWAL TONDON & CO.

Chartered Accountants

ICAI Firm Registration No. 329088E

Radhakrishnan Tondon

Partner

Membership No. 060634

Place: Kolkata

Dated : 31st July, 2020



For and on behalf of the Board

*Santimath Paul*  
Santimath Paul  
CFO & Director  
DIN: 03190144

*Vinit Agrawal*  
Vinit Agrawal  
Director  
DIN: 06944709

*Shreya Routh*  
Shreya Routh  
Company Secretary  
Membership No. A56945



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

CIN: L27310WB1977PLC031117

**STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH ' 2020**

**i) Equity Share Capital**

(Amount in Rs.)

Balance as at 1st April, 2018	Changes during the year FY 2018-19	Balance as at 31st March, 2019	Changes during the year FY 2019-20	Balance as at 31st March, 2020
1,10,55,960	-	1,10,55,960	-	1,10,55,960

**ii) Other Equity**

Particulars	Statutory Reserves	Surplus	Other Comprehensive Income	Total
Balance as at 1st April, 2018	1,73,53,150	(5,72,39,263)		(3,98,86,113)
<b>Effect of First time Adoption of Ind-AS</b>				
Gain on Investments at Fair Value		58,62,87,928		58,62,87,928
Tax Related to above		(15,24,34,861)		(15,24,34,861)
Impairment Loss due to Expected Credit Loss		(46,22,466)		(46,22,466)
Tax Related to above		12,01,841		12,01,841
Restated balance as at 1st April, 2018	1,73,53,150	37,31,93,179	-	39,05,46,329
Profit/(Loss) for the year		(49,13,984)		(49,13,984)
Other Comprehensive Income / (loss)			5,77,46,433	5,77,46,433
Total Comprehensive Income for the year		(49,13,984)	5,77,46,433	5,28,32,449
Balance as at 31st March 2019	1,73,53,150	36,82,79,196	5,77,46,433	44,33,78,779
Profit/(Loss) for the year		4,40,01,132		4,40,01,132
Other Comprehensive Income / (loss)			(82,542)	(82,542)
Total Comprehensive Income for the period	-	4,40,01,132	(82,542)	4,39,18,590
Impact of Ind-AS 116		(18,155)		(18,155)
Tax Related to above		4,720		4,720
Transfer of gain of fair value on account of sale of investment to Retained Earning		17,62,156	(17,62,156)	-
Deferred Tax reversal of Related to above		1,16,56,685		1,16,56,685
Transfer				
Deferred Tax reversal for ECL (on 01-04-2018 and for FY 2018-19)		(8,93,733)		(8,93,733)
Transfers to Statutory reserves	88,00,226	(88,00,226)		-
Balance as at 31st March ' 2020	2,61,53,376	41,59,91,774	5,59,01,735	49,80,46,886



# PREMIER FERRO ALLOYS & SECURITIES LIMITED

CIN: L27310WB1977PLC031117

## Notes to the Standalone financial statements for the year ended 31st March '2020

### Significant Accounting Policies

#### 1.01 Statement of Compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under Section 133 of Companies Act, 2013. The company has adopted Ind-AS w.e.f. 1st April, 2019.

Upto Y.E. 31st March, 2019 the company prepared its financial statements in accordance with previous GAAP, which includes standards notified under Companies (Accounting Standards) Rules, 2006. These are company's first Ind-AS financial statements. The Date of Transition to Ind-AS is 1st April, 2018. Details of exceptions and optional exemptions availed by the company and principal adjustments along with related reconciliations are part of the financial statement.

#### 1.02 Basis of Preparation :

The financial statements are prepared as per historical cost convention, except for certain items that are measured at fair values, as mentioned in the accounting policies. Fair Value is the price that would be received or paid in an orderly transaction between market participants at measurement date, regardless of whether the price is directly observable or estimated using valuation technique.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

#### 1.03 Use of estimates and judgements and Estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

#### 1.04 First-time adoption of Ind AS - mandatory exemptions and optional exemption

##### Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April 2018 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as mentioned below:

**Deemed cost for property, plant and equipment and intangible assets :** The Company has elected to measure property, plant and equipment, and intangible assets at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.

#### 1.05 Property, Plant & Equipment:

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any. All direct expenses attributable to acquisition and installation of assets are capitalized. The deemed cost of Property, Plant & Equipment as on 1st April, 2018 is the previous GAAP carrying values, as per option given under Para D7AA of Ind-AS 101.

#### 1.06 Depreciation on Tangible Assets:

Depreciation on tangible assets acquired/disposed off is provided as per Straight Line Method on pro rata basis, with reference to the date of addition or disposal based on useful life specified in Schedule II to the Companies Act, 2013.

#### 1.07 Investment in Subsidiary:

Investment in Subsidiary are carried at fair value.

#### 1.08 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value.





**Significant Accounting Policies**

**Financial Assets:-**

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

**Financial assets are classified as those measured at:**

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved assets are managed in accordance with an approved decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Non Performing Assets including loans & advances , receivables are identified as sub-standard, or doubtful or loss assets based on the duration of delinquency. NPA provisions are made based on management's assessment of the degree of impairment and whether the level of provisioning meets the NBFC prudential Norms prescribed by Reserve Bank of India.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

In accordance with the RBI Prudential Norms read with Indian Accounting Standard - 109 issued by the Institute of Chartered Accountants of India notified by Central Government of India, Investments are stated at Fair Value.

Investments Property (if any) as defined in Ind AS-40, (Investment Property), have been accounted for in accordance with cost model as prescribed.

**1.09 Borrowing Costs :**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.



**Significant Accounting Policies**

**1.10 Taxation :**

Provision for tax is made for both current and deferred taxes. Provision for current tax is made at the current tax rates based on assessable income. Deferred taxes reflect the impact of current year's temporary differences between carrying values of assets and liabilities and its tax base, at the tax rates or tax laws enacted or substantially enacted at the end of reporting period. Deferred tax assets are recognized only to the extent that future taxable profits will be available against which deductible temporary difference may be utilised.

**1.11 Revenue recognition :**

Recognition of interest income on loans Interest income is recognised in Statement of profit and loss using the effective interest method as applicable for all financial instruments measured at amortised cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset. If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

**1.12 Provisions and Contingent Liabilities :**

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

**1.13 Retirement & Other Employee Benefits:**

The Company's employee benefits primarily cover Provident Fund, Gratuity and Leave Encashment. Contribution to Provident Fund is made at a predetermined rate and charged to revenue on accrual basis. Company's liabilities towards Gratuity & Leave encashment are actuarially determined at each Balance Sheet date using the Projected Unit Credit Method. All actuarial gains/ losses are recognized in revenue.

Remeasurement gains/losses : Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period. Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

**1.14 Earnings Per Share :**

The basic earnings per share is computed by dividing the net profit/ loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earning per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the result would be anti-dilutive.





**Significant Accounting Policies**

**1.15 Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term. As per Ind-AS 116, "Leases", company has recognised a Right-of-use asset and a corresponding lease liability for rent of the office space at 2nd Floor, Emami Tower.

As per Para C5(b) of Appendix C of Ind-AS 116, the entity has elected to apply the cumulative effect of application of Ind-AS on the opening Retained Earnings as at 01st April, 2019. Therefore, the comparatives for the Y.E. 31st March, 2019 have not been restated.

**1.16 Cash and cash equivalents :**

In the cash flow statement, cash and cash equivalents includes cash in hand.

**1.17 Cash Flow Statement :**

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



**2.01 : CASH & CASH EQUIVALENTS**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Cash on hand	33,948	34,937	35,968
Balances with Banks			
In Current Account	25,92,959	25,00,903	25,92,615
Cheques on hand	1,92,00,664	-	-
<b>Total</b>	<b>2,06,30,571</b>	<b>29,35,860</b>	<b>26,28,583</b>

**2.02 : LOANS**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amortised Cost	Total	Amortised Cost	Total	Amortised Cost	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Loans</b>						
(A) (i) Loans repayable on demand	1,95,51,94,997	1,95,51,94,997	2,20,43,44,997	2,20,43,44,997	91,65,14,997	91,65,14,997
(ii) Staff Advance	-	-	-	-	46,582	46,582
(iii) Security Deposit	34,557	34,557	28,337	28,337	-	-
<b>Total (A)- Gross</b>	<b>1,95,52,29,554</b>	<b>1,95,52,29,554</b>	<b>2,20,43,73,334</b>	<b>2,20,43,73,334</b>	<b>91,65,61,579</b>	<b>91,65,61,579</b>
Less- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (A)- Net</b>	<b>1,94,01,73,066</b>	<b>1,94,01,73,066</b>	<b>2,09,34,30,363</b>	<b>2,09,34,30,363</b>	<b>80,60,07,180</b>	<b>80,60,07,180</b>
(B) (i) Secured by Tangible Assets	-	-	18,00,00,000	18,00,00,000	23,00,00,000	23,00,00,000
(ii) Unsecured	1,95,52,29,554	1,95,52,29,554	2,02,43,73,334	2,02,43,73,334	68,65,61,579	68,65,61,579
<b>Total (B)- Gross</b>	<b>1,95,52,29,554</b>	<b>1,95,52,29,554</b>	<b>2,20,43,73,334</b>	<b>2,20,43,73,334</b>	<b>91,65,61,579</b>	<b>91,65,61,579</b>
Less- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (B)- Net</b>	<b>1,94,01,73,066</b>	<b>1,94,01,73,066</b>	<b>2,09,34,30,363</b>	<b>2,09,34,30,363</b>	<b>80,60,07,180</b>	<b>80,60,07,180</b>
(C) Loans in India						
(i) Public sector	-	-	-	-	-	-
(ii) Others	1,95,52,29,554	1,95,52,29,554	2,20,43,73,334	2,20,43,73,334	91,65,61,579	91,65,61,579
<b>Total (C)- Gross</b>	<b>1,95,52,29,554</b>	<b>1,95,52,29,554</b>	<b>2,20,43,73,334</b>	<b>2,20,43,73,334</b>	<b>91,65,61,579</b>	<b>91,65,61,579</b>
Less- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (C)- Net</b>	<b>1,94,01,73,066</b>	<b>1,94,01,73,066</b>	<b>2,09,34,30,363</b>	<b>2,09,34,30,363</b>	<b>80,60,07,180</b>	<b>80,60,07,180</b>





## 2.03: INVESTMENTS

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Fair Value At FVTOCI	Total	Fair Value At FVTOCI	Total	Fair Value At FVTOCI	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Equity Instruments (Unquoted)</b>						
Pan Bansa Cement Limited (No. of shares - FY19-20-50,731; FY18-19 - 50,731; As on 01-04-18-50,731)	1,82,07,356	1,82,07,356	1,82,07,356	1,82,07,356	1,74,30,095	1,74,30,095
Ramesh Enterprises Private Limited (No. of shares - FY19-20 Nil; FY18-19 - 2,45,750; As on 01-04-18 - 2,45,750)	-	-	4,72,97,045	4,72,97,045	4,49,15,753	4,49,15,753
<b>Subsidiaries</b>						
Prestige Vyapar Limited (No. of shares - FY19-20 - 2,55,200; FY18-19 - 2,55,200; As on 01-04-18 - 2,55,200)	60,40,32,880	60,40,32,880	60,40,32,880	60,40,32,880	52,91,95,578	52,91,95,578
<b>Investment Held for Sale</b>						
(i) Equity Instruments (Unquoted)						
Namo Edu Infrastructure Private Limited (No. of shares - FY 19-20-47,36,842; FY18-19 - Nil; As on 01-04-18 - Nil)	5,07,51,880	5,07,51,880				
(ii) Preference Shares Investment (Unquoted)						
Namo Edu Infrastructure Private Limited (No. of shares - FY19-20 - 85,26,516; FY18-19 - Nil; As on 01-04-18 Nil)	9,13,53,383	9,13,53,383				
<b>Total (A)- Gross</b>	76,43,45,499	76,43,45,499	66,95,37,281	66,95,37,281	59,15,41,426	59,15,41,426
Investments outside India	-	-	-	-	-	-
Investments in India	76,43,45,499	76,43,45,499	66,95,37,281	66,95,37,281	59,15,41,426	59,15,41,426
<b>Total (B)</b>	76,43,45,499	76,43,45,499	66,95,37,281	66,95,37,281	59,15,41,426	59,15,41,426
Less- Impairment Loss Allowance (C)	-	-	-	-	-	-
<b>Total (D)= A-C</b>	76,43,45,499	76,43,45,499	66,95,37,281	66,95,37,281	59,15,41,426	59,15,41,426

NB:- The shares of Namu Edu Infrastructure Private Limited are pending for transfer in name of the company.

## 2.04: OTHER FINANCIAL ASSETS

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Interest accrued & due on loans given	1,76,70,400		15,14,09,142		1,88,026	
Less- Impairment Loss Allowance	89,65,657	87,04,746	-	15,14,09,142	-	1,88,026
Interest accrued but not due on loans given		5,09,93,083		5,86,55,844		5,76,99,750
<b>Total</b>		5,96,97,829		18,94,61,986		5,78,81,776



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

CIN: L27310WB1977PLC031117

Notes to the Standalone financial statements for the year ended 31st March '2020

2.05 Property, Plant & Equipment

Amount In Rs.

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2019 Rs.	Adjustment/ Addition during the Year Rs.	As on 31.03.2020 Rs.	Up to 01.04.2019 Rs.	For the Year Rs.	Total Rs.	As on 31.03.2020 Rs.	As on 31.03.2019 Rs.
Computer	1,31,370	-	1,31,370	1,12,953	11,849	1,24,802	6,568	18,417
Total :	1,31,370	-	1,31,370	1,12,953	11,849	1,24,802	6,568	18,417

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2018 Rs.	Adjustment/ Addition during the Year Rs.	As on 31.03.2019 Rs.	Up to 01.04.2018 Rs.	For the Year Rs.	Total Rs.	As on 31.03.2019 Rs.	As on 31.03.2018 Rs.
Computer	1,31,370	-	1,31,370	98,725	14,228	1,12,953	18,417	32,645
Total :	1,31,370	-	1,31,370	98,725	14,228	1,12,953	18,417	32,645





**2.06 : OTHER NON-FINANCIAL ASSETS**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Other Advance	26,238	30,430	28,635
Advance Income Tax (Net of Provision)	3,24,22,572	2,18,87,627	1,81,39,962
GST Receivable	16,79,583	10,00,073	-
Prepaid Rent	17,203	11,202	-
<b>Total</b>	<b>3,41,45,696</b>	<b>2,29,31,332</b>	<b>1,81,68,597</b>

**2.07 : PAYABLES**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>0 Trade Payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12,50,796	27,90,706	3,54,504
<b>Total</b>	<b>12,50,796</b>	<b>27,90,706</b>	<b>3,54,504</b>

**2.08 : BORROWINGS**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amortised Cost Amount (Rs.)	Total Amount (Rs.)	Amortised Cost Amount (Rs.)	Total Amount (Rs.)	Amortised Cost Amount (Rs.)	Total Amount (Rs.)
<b>Term Loans</b>						
(i) From Bank						
Secured by way of lien of FD of third party	-	-	30,00,00,000	30,00,00,000		
(ii) From Others						
Secured by way of pledge of shares owned by third party	50,00,00,000	50,00,00,000	2,00,00,00,000	2,00,00,00,000	80,00,00,000	80,00,00,000
<b>Loans repayable on demand</b>						
(i) From Body Corporate	1,42,23,00,000	1,42,23,00,000	1,65,00,000	1,65,00,000	1,65,00,000	1,65,00,000
<b>Total- (A)</b>	<b>1,92,23,00,000</b>	<b>1,92,23,00,000</b>	<b>2,31,65,00,000</b>	<b>2,31,65,00,000</b>	<b>81,65,00,000</b>	<b>81,65,00,000</b>
<b>Borrowings in India</b>	<b>1,92,23,00,000</b>	<b>1,92,23,00,000</b>	<b>2,31,65,00,000</b>	<b>2,31,65,00,000</b>	<b>81,65,00,000</b>	<b>81,65,00,000</b>
<b>Total- (B)</b>	<b>1,92,23,00,000</b>	<b>1,92,23,00,000</b>	<b>2,31,65,00,000</b>	<b>2,31,65,00,000</b>	<b>81,65,00,000</b>	<b>81,65,00,000</b>



**2.09: OTHER FINANCIAL LIABILITIES**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Other Liabilities</b>						
Interest accrued & due on borrowings	97,377		1,35,73,777		10,11,00,861	
Interest accrued but not due on borrowings	20,11,34,740		33,45,462		27,10,577	
		20,12,32,117		2,09,24,239		32,48,11,438
<b>Others</b>						
Liabilities for Expenses		5,17,354		3,75,048		4,31,241
<b>Total</b>		20,17,49,471		2,12,99,287		36,92,42,679

**2.10: PROVISIONS**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Provision for Employee Benefits</b>			
Provision for Gratuity	89,872	72,508	89,945
Provision for Leave	69,807	77,450	1,23,937
<b>Total</b>	1,59,679	1,50,378	2,13,882

**2.11: OTHER NON FINANCIAL LIABILITIES**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Statutory Dues	2,32,09,117	1,23,73,193	11,93,723
<b>Total</b>	2,32,09,117	1,23,73,193	11,93,723

**2.12: DEFERRED TAX LIABILITIES (NET)**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Opening Balance	17,17,66,935	15,11,73,133	(59,888)
Add: For the year	2,35,091	2,05,71,803	15,12,33,021
Less: Reversal of DTL on sale of investment	(1,35,56,684)	-	-
Add: Reversal of DTA for Expected Credit Loss	8,93,733	-	-
<b>Closing Balance</b>	16,12,19,074	17,17,44,936	15,11,73,133

**2.13: SHARE CAPITAL**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Authorized Shares</b>			
70,00,000 Equity Shares of Amount (Rs.)10/- each	7,00,00,000	7,00,00,000	7,00,00,000
<b>Issued, Subscribed and fully paid-up</b>			
11,05,596 Equity Shares of Amount (Rs.)10/- each fully paid up	1,10,55,960	1,10,55,960	1,10,55,960
	1,10,55,960	1,10,55,960	1,10,55,960

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

**Equity Shares**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the Beginning of the period	11,05,596	1,10,55,960	11,05,596	1,10,55,960	11,05,596	1,10,55,960
Changes during the period	-	-	-	-	-	-
<b>At the end of the period</b>	11,05,596	1,10,55,960	11,05,596	1,10,55,960	11,05,596	1,10,55,960

**b) The Rights and Preferences attached to the shares**

The Company has only one class of equity shares having a par value of Amount (Rs.)10/- per share. Each holder of equity share is entitled to one vote per share. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing AGM. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts in proportion to the no. of equity shares held by the share holder Amount (Rs.)

**c) Details of shareholders holding more than 1% shares in the company**

Sl. No.	Name of Shareholders	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
		No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class
1	Namaskar Fashion Private Limited	75,000	6.78	75,000	6.78	75,000	6.78
2	Sanshod Goenka	74,700	6.76	74,700	6.76	74,700	6.76

**Other Equity**

**Description of the nature and purpose of Other Equity:**

Special reserve represents reserve fund created pursuant to Section 45-4C of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI with specified period of time from the date of such utilization.

Surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.





**2.14. REVENUE FROM OPERATIONS****(I) INTEREST INCOME**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
On Financial Asset measured at Amortised Cost		
Interest on Loans	27,74,94,281	21,36,62,163
Total	27,74,94,281	21,36,62,163

**(II) NET GAIN/LOSS ON FAIR VALUE CHANGES**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Net Gain/Loss on Financial Instruments at FVTPL		
On trading portfolio		
- Investments	1,48,509	67,18,429
Total Net Gain/(Loss) on Fair Value Changes	1,48,509	67,18,429
Fair Value Changes:		
(i) Realised	1,48,509	67,18,429
(ii) Unrealised		
Total	1,48,509	67,18,429

**2.15. OTHER INCOME**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Interest on Income Tax Refund	6,14,973	4,09,433
Interest on Security Deposit	12,424	2,340
Impairment Loss Allowance W/Back	9,72,72,123	65,00,000
Excess Provision for Expenses Written Back	203	-
Total	9,78,99,753	69,11,773



**2.16 : FINANCE COST:**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
<b>On Financial Liabilities measured at Amortised Cost</b>		
Interest on Borrowings	27,32,96,840	20,25,26,275
Interest on Lease Liability	21,018	-
<b>Total</b>	<b>27,33,17,858</b>	<b>20,25,26,275</b>

**2.17 : FEES AND COMMISSION EXPENSES :**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Fees and commission paid	69,06,996	1,08,66,778
<b>Total</b>	<b>69,06,996</b>	<b>1,08,66,778</b>

**2.18 : EMPLOYEE BENEFIT EXPENSE**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Salaries & Wages	11,18,430	20,43,095
Contribution to Provident & Other Funds	1,05,238	1,33,371
Staff Welfare Expenses	27,145	27,914
Other Employee benefits	1,28,101	5,46,688
<b>Total</b>	<b>13,78,914</b>	<b>28,51,068</b>

**2.19 : DEPRECIATION & AMORTISATION**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Depreciation on Property, Plant & Equipment	11,849	14,228
Depreciation on Lease Assets	98,062	-
<b>Total</b>	<b>1,09,911</b>	<b>14,228</b>

**2.20 : OTHER EXPENSES**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Payment to Auditor:		
- Statutory Audit Fees	70,800	70,800
- Tax Audit Fees	17,790	17,790
- Other	1,10,060	63,380
GST Audit Fees	10,900	-
Advertising Expenses	37,052	44,357
Annual Membership Fees	11,863	9,912
Rates & Taxes	5,750	5,750
Internal Audit Fees	3,67,876	3,75,469
Law and Professional Charges	7,40,266	7,31,890
Listing Fees	27,250	27,250
Filing Fees	8,700	5,200
Bad debts	3,78,94,737	65,20,503
Interest on TDS	6,75,787	-
Miscellaneous Expenses	1,14,383	4,98,875
Service Charges	679	592
Impairment Loss Allowance	1,01,51,297	68,88,573
Rent Paid	-	1,30,800
GST Expense	11,600	-
Amortisation of Prepaid Rent	12,112	2,800
<b>Total</b>	<b>5,04,68,920</b>	<b>1,53,91,691</b>





## 2.21 Information for Earning per Share:

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
	Amount (Rs.)	Amount (Rs.)
Net Profit after Tax	4,40,11,132	(49,13,994)
Number of Equity Share	11,05,596	11,05,596
Earning per Share of Rs.15/- each. (Basic & Diluted)	39.80	(4.40)

## 2.22 Gratuity &amp; Other Post-Employment Benefit Plans

Details as per actuarial valuations as on 31<sup>st</sup> March 2020; as recognised in the financial statements in respect of employees benefit schemes:

Particulars	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
	2019-2020	2019-2020	2018-2019	2018-2019
<b>A. Amounts recognised in the Statement of Profit &amp; Loss</b>				
1. Current Service Cost	13,596	6,606	16,102	39,530
2. Interest Cost	4,830	4,362	6,746	3,376
3. Expected Return on Plan assets	-	-	-	-
4. Actuarial Losses/(Gains)	-	6,041	-	16,464
5. Cost/(Loss)/Gain on Settlement	-	(1,867)	-	-
6. Total Expense recognised in Profit & Loss	18,426	15,142	22,848	1,81,370
<b>B. Amount recognised in Other Comprehensive Income</b>				
Actuarial (gains)/losses arising from changes in -				
- financial assumptions	(1,502)	-	(19,860)	-
Total amount recognised in other comprehensive income	(1,502)	-	(19,860)	-
<b>C. Net asset/(liability) recognised in balance sheet as at the end of year</b>				
1. Present value of Defined Benefit Obligation	(69,872)	(69,807)	(72,928)	(77,405)
2. Fair Value of Plan assets	-	-	-	-
3. Net Asset/(liability) recognised in Balance Sheet	(69,872)	(69,807)	(72,928)	(77,405)
<b>D. Change in Defined Benefit Obligations during the year</b>				
1. Present value of DBO at the beginning of the period	72,928	77,405	80,945	1,20,937
2. Current Service Cost	13,596	6,606	16,102	39,531
3. Interest Cost	4,830	4,362	6,746	3,376
4. Actuarial Losses/(Gains)	(1,502)	6,041	(19,860)	68,464
5. Settlement Cost	-	1,867	-	-
6. Benefits Paid	-	22,780	-	1,57,858
7. Present value of DBO at the end of the period	89,872	89,807	72,928	77,405
<b>Actuarial Basis used in valuation</b>	(F.Y. 2019-2020)	(F.Y. 2018-2019)	(F.Y. 2018-2019)	(F.Y. 2018-2019)
Interest Rate	6.55% p.a.	7.50% p.a.	8.65% p.a.	7.50% p.a.
Salary Inflation	6.00% p.a.	6.00% p.a.	6.00% p.a.	6.00% p.a.

## 2.23 Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

	31-03-2020	31-03-2019	01-04-2018
Regulatory Capital			
Tier I Capital	4,46,10,887	(14,05,26,246)	(5,81,60,348)
Tier II Capital	83,77,206	1,46,61,740	79,87,381
Total Capital	5,29,88,093	(12,58,64,506)	(5,01,72,967)
Risk Weighted Asset	2,13,61,74,329	2,18,95,81,600	84,64,72,662
Tier I Capital Ratio	2.05%	-6.44%	-6.87%
Tier II Capital Ratio	0.39%	0.67%	0.94%
Total Capital Ratio	2.48%	-5.77%	-5.93%



**2.24 Financial Risk Management Framework**

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance for the year ended 31.03.2020.

**(i) Market Risk**

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

**(a) Pricing Risk**

The Company's does not hold any financial asset which will lead to a pricing risk for the company.

**(b) Interest Rate Risk**

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations.

**Interest Rate Sensitivity**

The sensitivity analysis below have been determined based on exposure to interest rate for non-derivative instruments at the end of reporting period. As the company does not have any floating rate liability, thus no sensitivity analysis is prepared therein.

**(ii) Credit Risk**

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Covid-19 Virus, a global pandemic has affected the world economy leading to significant volatility in financial markets and in economic activities. The extent to which the Covid-19 will impact the Company's provisions on Assets etc. will depend on the future developments, which are highly uncertain, including among the other things any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the company.

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the lending institutions have been permitted to grant a moratorium upto August 31, 2020 on payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 (moratorium period) to eligible borrowers in accordance with the Board approved policy. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period. The Company holds provisions as at 31 March 2020 based on the information available upto this point in time.

**Credit Quality of Financial Loans & Investments**

The following table sets out information about credit quality of loans and investments measured at amortised cost based on days past due information. The amount represents gross carrying amount.

Particulars	31-03-2020	31-03-2019	01-04-2018
Neither Past Due nor Impaired	34,557	28,517	46,532
Past Due but not Impaired			
30 DPD	1,73,71,88,000	2,30,68,20,538	78,78,96,776
31-90 DPD	27,77,12,795	19,65,627	-
Impaired (more than 90 days)	89,65,657	19,00,00,000	19,65,00,000
Total Gross carrying value as at reporting date	2,02,58,91,680	2,59,38,15,370	97,44,43,358

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end.

**Assets considered in the ECL model**

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorises loan assets into stages primarily based on the Days Past Due (DPD) status.

Stage I	Up to 30 DPD
Stage II	31-90 DPD
Stage III	> 90 DPD

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for trade advances. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.





- (i) **Definition of Default**  
The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.
- (ii) **Exposure at Default**  
"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.
- (iii) **Estimation and assumptions considered in the ECL model**  
The Company has made the following assumptions in the ECL Model:  
a. "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio after considering various other economic outlook factors.  
b. "Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. This is calculated as an average of the last 60 months yearly movement of default rates and future adjustment for macro-economic factors.
- (iv) **Measurement of ECL**  
Financial assets that are not credit impaired at the reporting date for Stage 1 & Stage 2, gross exposure is multiplied by PD and LGD percentage is arrive at the ECL. Financial assets that are credit impaired at the reporting date, the difference between the gross exposure at reporting date and computed carrying amount is considered as EAD till reporting date.
- (v) **Assessment of significant increase in credit risk**  
When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort. The Company's accounting policy is not to use the practical expedient that the financial assets with "low" credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the Company monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk.
- (vi) **Policy for write off of Loan Assets**  
The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the waiver. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.
- (vii) **Fair Value of Collateral held against credit impaired assets**

Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturity profile of non-derivative financial liabilities

Particulars	< 1 year	1-3 years	3-5 years	> 5 years
<b>As on 31st March, 2020</b>				
Borrowings	1,92,75,00,000	-	-	-
<b>Other Financial Liabilities</b>				
(i) Interest accrued and due on borrowings	97,327	-	-	-
(ii) Interest accrued but not due on borrowings	20,11,34,740	-	-	-
(iii) Liabilities for Expenses	5,17,324	-	-	-
<b>As on 31st March, 2019</b>				
Borrowings	1,81,65,00,000	30,00,00,000	-	-
<b>Other Financial Liabilities</b>				
(i) Interest accrued and due on borrowings	1,55,78,777	-	-	-
(ii) Interest accrued but not due on borrowings	53,45,660	-	-	-
(iii) Liabilities for Expenses	3,25,048	-	-	-
<b>As on 1st April, 2018</b>				
Borrowings	31,65,00,000	30,00,00,000	-	-
<b>Other Financial Liabilities</b>				
(i) Interest accrued and due on borrowings	10,11,00,861	-	-	-
(ii) Interest accrued but not due on borrowings	37,10,577	-	-	-
(iii) Liabilities for Expenses	4,32,340	-	-	-



#### Fair Value Hierarchy

The following table shows the fair value hierarchy of financial instruments as follows:-

Particulars	Measured At	Level 1	Level 2	Level 3
As at 31-3-2018				
<b>Financial Assets</b>				
Investments in Equity Instrument				
(i) Of Subsidiary	FV(TOCI)	-	-	Level 3
(ii) Of Others	FV(TOCI)	-	-	Level 3
As at 31-3-18				
<b>Financial Assets</b>				
Investments in Equity Instrument				
(i) Of Subsidiary	FV(TOCI)	-	-	Level 3
(ii) Of Others	FV(TOCI)	-	-	Level 3
As at 31-04-18				
<b>Financial Assets</b>				
Investments in Equity Instrument				
(i) Of Subsidiary	FV(TOCI)	-	-	Level 3
(ii) Of Others	FV(TOCI)	-	-	Level 3

Level - 1 - Quoted (unadjusted) market prices in active market

Level - 2 - Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level - 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Carrying Amount as a reasonable approximation of Fair Values

For certain financial assets and liabilities, the carrying amount approximates the fair value as follows:-

(i) **Cash & Bank balance**- The cash and bank balance are recorded at carrying value which are a reasonable approximation of their fair values.

(ii) **Accrued Interest on Loans**- On current loans, the carrying value of the accrued interest are a reasonable approximation of their fair values.

(iii) **Interest Payable**- On current financial liabilities, the interest payable balance are a reasonable approximation of their fair values.





2.25 Related Party Disclosures

A	Parties where control exists	Wholly owned subsidiary	Pondige Vyapar Limited
		Other related parties with whom transaction have taken place during the year	
B	Key Management Personnel		Sri Senthil Patel (Director & CFO) Mr. Shreyas Routh - Company Secretary (Appointed effective from 2nd March 2020) Mr. Mohit Arora - Company Secretary (Resignation effective from 29th February 2020) Sri Sudip Prasad - Manager
		Directors	Sri Jagdish Kedia (Resignation effective from 26-02-2020) Sri Shampa Paul (Additional Director-Independent Director) Sri. Sudipta Das (Additional Director-Independent Director) Ms Vineta Poddar (Director) Sri Vinay Agarwal (Director)
C	Other Related Parties		Fatigrow Crops Private Limited Creative Cultivation Private Limited Pan Eassey Coated Limited Midnet Investments Private Limited

Transactions with related Parties Carried out during the year:

Particulars	Subsidiaries		Other Related Parties		Total	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Loan Taken</b>						
Opening Principal amount of Loan Taken	-	-	-	-	-	-
Interest Outstanding (Net of TDS)	-	-	-	-	-	-
Total	-	-	-	-	-	-
Addition during the year	-	-	1,01,50,00,000	-	1,01,50,00,000	-
Repayment during the year	-	-	1,01,50,00,000	-	1,01,50,00,000	-
Closing Principal amount of Loan Taken	-	-	-	-	-	-
Current Interest (Net of TDS) on loan taken	-	-	12,64,795	-	12,64,795	-
Interest paid during the year	-	-	12,64,795	-	12,64,795	-
Interest payable	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
<b>Loan Given</b>						
Opening Principal amount of Loan Given	-	-	18,50,000	18,50,000	18,50,000	18,50,000
Interest Outstanding (Net of TDS)	-	-	2,80,627	2,80,627	2,80,627	2,80,627
Total	-	-	21,09,077.00	21,30,627.00	21,09,077.00	21,30,627.00
Loan given during the year	-	-	49,86,00,000	1,25,00,000	49,86,00,000	1,25,00,000
Loan repayment received during the year	-	-	47,99,50,000	1,25,00,000	47,99,50,000	1,25,00,000
Closing Principal amount of Loan Given	-	-	2,09,50,000	18,50,000	2,09,50,000	18,50,000
Current Interest (Net of TDS) on loan given	-	-	48,25,985	2,80,627	48,25,985	2,80,627
Interest received during the year	-	-	44,96,564	2,80,627	44,96,564	2,80,627
Interest receivable	-	-	5,88,698	2,80,627	5,88,698	2,80,627
Closing Balance	-	-	2,10,85,698	2,10,85,698	2,10,85,698	2,10,85,698
a) Rent Paid	-	-	-	1,30,800	-	1,30,800
b) Rent Received	-	-	-	-	-	-
c) Remuneration paid to Key Managerial Personnel	-	-	8,24,091	6,57,933	8,24,091	6,57,933

2.26 Details of borrowings

Sl.No.	Particulars	Total amount of Loan (Rs.)		Date of Issue	Date of Maturity	Nature of Security Cover
		As on 31.03.2020	As on 31.03.2019			
1	SICI Finance Limited R.O.I @ 12.75% p.a.	50,00,00,000	50,00,00,000	05-09-2020	12 months from the date of 1st Disbursement i.e. 05-09-2020	Pledge of Shares/Currents by third party.

2.27 Segment Reporting

The entire operation of the Company relates to only one segment i.e. Investment and Loans. As such there is no separate reportable segment as defined under Indian Accounting Standard-308, "Operating Segments".

2.28 Reconciliation of estimated Income tax expense at tax rate to current income tax expense reported in the Statement of profit and loss is as follows:

Particulars	For the year ended 31.03.2020		For the year ended 31.03.2019	
	Amount (Rs.)		Amount (Rs.)	
Profit Before Tax	4,43,39,984		(40,77,572)	
Current Tax Rate	24%		24%	
Expected Income Tax	1,11,31,585		(9,78,196)	
<b>Tax Effect of adjustments to reconcile expected Income Tax expense at tax rate to reported Income tax expense</b>				
Effect of Expenses/provisions not deductible in determining taxable profit	29,14,181		14,81,075	
Effect of differential tax rate	90,000		(1,90,837.22)	
Other adjustments	(3,64,09,896)		3,21,888	
Reported Current Income Tax	90,000		5,44,888	

2.29 Disclosure as per RBI Circular dated 15th March, 2020 on implementation of Indian Accounting Standards is enclosed as Annexure - C

2.30 As per the information available with the Company, Trade Payables do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2020 & 31st March, 2019.



**2.31 - FIRST TIME ADOPTION OF IND AS**

This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019 to comply with Ind AS.

**i) Comparative Balance sheet as at 1 April 2018 and 31 March 2019**

PARTICULARS	Note No.	As at 1st April, 2018			As at 31st March, 2019		
		As per Indian GAAP	Changes	As per Ind-AS	As per Indian GAAP	Changes	As per Ind-AS
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>ASSETS</b>							
<b>FINANCIAL ASSETS</b>							
(a) Cash and Cash Equivalents	2.01	26,28,583	-	26,28,583	39,35,860	-	39,35,860
(b) Loans	2.02	81,37,34,952	(77,27,772)	80,60,07,180	2,10,81,04,952	(1,46,74,589)	2,09,34,30,363
(c) Investments	2.03	52,53,498	58,62,87,928	59,15,41,426	52,53,498	66,42,83,783	66,95,37,281
(d) Other Financial Assets	2.04	5,78,81,779	-	5,78,81,779	18,94,41,986	-	18,94,41,986
<b>NON-FINANCIAL ASSETS</b>							
(a) Deferred Tax Assets (Net)	2.12	59,888	(59,888)	-	83,482	(83,482)	-
(b) Property, Plant & Equipment	2.05 (i)	32,645	-	32,645	18,417	-	18,417
(c) Other Non-Financial Assets	2.06	1,82,15,179	(46,582)	1,81,68,597	2,29,20,136	11,292	2,29,31,332
<b>TOTAL</b>		<b>89,78,06,524</b>	<b>57,84,53,686</b>	<b>1,47,62,60,210</b>	<b>2,32,97,58,325</b>	<b>64,95,36,914</b>	<b>2,97,92,95,239</b>
<b>LIABILITIES &amp; EQUITY</b>							
<b>LIABILITIES</b>							
<b>FINANCIAL LIABILITIES</b>							
(a) Payable							
i) total outstanding dues of micro enterprises and small enterprises		-	3,34,504	3,34,504	-	27,90,706	27,90,706
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
(e) Borrowings	2.08	81,65,00,000	-	81,65,00,000	2,31,65,00,000	-	2,31,65,00,000
(b) Other Financial Liabilities	2.09	10,56,06,995	(3,64,316)	10,52,42,679	2,43,89,992	(27,96,705)	2,12,99,287
<b>NON-FINANCIAL LIABILITIES</b>							
(a) Provisions	2.10	33,65,770	(31,51,888)	2,13,882	90,05,868	(88,55,436)	1,50,378
(b) Other Non-Financial Liabilities	2.11	11,63,912	29,811	11,93,723	1,23,73,195	-	1,23,73,195
(c) Deferred Tax Liabilities (Net)	2.12	-	15,11,73,133	15,11,73,133	-	17,17,46,935	17,17,46,935
<b>EQUITY:</b>							
(a) Equity Share Capital	2.13	1,10,55,960	-	1,10,55,960	1,10,55,960	-	1,10,55,960
(b) Other Equity		(3,98,86,113)	43,04,32,442	39,05,46,329	(4,32,66,630)	48,66,45,609	44,33,78,779
<b>TOTAL</b>		<b>89,78,06,524</b>	<b>57,84,53,686</b>	<b>1,47,62,60,210</b>	<b>2,32,97,58,325</b>	<b>64,95,36,914</b>	<b>2,97,92,95,239</b>

**ii) Comparative Statement of profit and loss for the year ended 31 March 2019**

PARTICULARS	Note No.	As per Indian GAAP	Changes	As per Ind-AS
		Rs.		Rs.
<b>INCOME</b>				
Revenue from Operations				
(i) Interest Income	2.14	21,36,42,163	-	21,36,42,163
(ii) Net Gain on Fair Value Changes		67,18,429	-	67,18,429
Other Income	2.15	69,09,433	2,348	69,11,773
<b>TOTAL REVENUE (I)</b>		<b>22,72,70,025</b>	<b>2,348</b>	<b>22,72,72,365</b>
<b>EXPENDITURE</b>				
Finance Costs	2.16	20,25,26,275	-	20,25,26,275
Fees and Commission Expenses	2.17	1,08,66,778	0	1,08,66,778
Employee Benefit Expenses	2.18	25,11,263	39,865	25,51,068
Depreciation, Amortisation & Impairment	2.19	14,228	-	14,228
Other Expenses	2.20	1,42,03,859	11,67,831	1,53,91,691
<b>TOTAL EXPENSES (II)</b>		<b>23,01,22,343</b>	<b>12,27,697</b>	<b>23,13,50,040</b>
Earnings before exceptional items and tax (I-II)		(28,52,318)	(12,25,357)	(40,77,675)
Exceptional items		-	-	-
Profit/(Loss) before Taxation		(28,52,318)	(12,25,357)	(40,77,675)
Tax Expenses:				
- Current Tax		5,44,000	-	5,44,000
- Deferred Tax		(23,594)	3,08,108	2,84,514
- Income Tax for Earlier Year		7,794	-	7,794
<b>Total Tax Expenses</b>		<b>5,28,200</b>	<b>3,08,108</b>	<b>8,36,108</b>
Profit / (Loss) after Tax		(33,80,518)	(15,33,465)	(49,13,983)





2.32 Leases

Operating Lease

The company has adopted Ind-AS 116 "Leases" w.e.f. 1st April, 2019. This Standard primarily requires the company, as a lessee, to recognise, at the commencement, a Right-of-use Asset and a Lease Liability (representing Present Value of outstanding lease payments). Such Right-of-use Asset are subsequently depreciated, and lease liability reduced, when paid, with interest on lease liability being recognised as Finance Costs.

The company has elected to apply the Standard Ind AS -116 using modified retrospective (cumulative catch-up approach). Accordingly, the comparative are not restated. For the year ended 31st March 2020 - Other Expenses has increased by Rs. 0.12 Lakhs, Depreciation has increased by Rs. 0.88 Lakhs, and Finance Cost has increased by (net) Rs. 0.21 Lakhs. Due to termination of the existing lease at end of quarter 3 company has simultaneously entered into a new lease in quarter 4 and there has been net reversal during the quarter 4 with a credit to P&L A/c by Rs 0.26 Lacs w.e.f. the same (adjusted with interest on Lease Liability).

2.33 Statement required under paragraph 18 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions - RBI/DNBR/2016-17/45 Master Direction DNBR, PD, 008/03.10.19/2016-17, as modified from time to time is enclosed as Annexure - 'A'.

2.34 Details required as per notification no. RBI/DNBR/2016-17/45, Master Direction DNBR, PD, 008/03.10.19/2016-17 relating to Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as modified upto 17th October 2016 are enclosed herewith as Annexure - 'B' - B2/

2.35 The company holds more than 20% of the voting power (Equity Share Capital) of Narmada Infrastructure Limited as on 31st March 2020. However such investment is acquired and held for sale. Thus the consolidated financial statement for this associate is not prepared as per paragraph 15 of Ind AS-28 "Investments in Associates".

2.36 Disclosure as per circular No. RBI/2019-20/220 DOR.No.BP, FC.65/23.04.04/2019-20 of Reserve Bank of India dt April 17, 2020

Rs.

(i) Respective amount in SMA/overdue categories, where the moratorium/delayment was extended

2,77,12,791

(ii) Respective amount where asset classification benefits is extended-

2,77,12,791

(iii) Provisions made for above as on 31.03.2020

13,85,640

(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions-

NA

2.37 The enclosed financial statements have been prepared in accordance with Schedule III (Division III) of the Companies Act, 2013. Previous year figures have accordingly been restated / regrouped / rearranged whenever necessary.

Signature to Notes 1 & 2

Significant Accounting Policies

Refer accompanying notes to the Financial Statements.

In terms of our attached report of even date

For AGRAHAR TONDON & CO.

Chartered Accountants

(AI Firm Registration No. 200653)

Radhakrishnan Tondon

Partner

Membership No. 060134

Place: Kolkata

Dated : 31st July, 2020



For and on behalf of the Board

*Paulson*  
Srinath Paul  
CFO & Director  
CIN: 03190146

*Vinit Agrawal*  
Vinit Agrawal  
Director  
CIN: 06944389

*Shreya Routh*  
Shreya Routh  
Company Secretary  
Membership No. A50945

SCHEDULE TO THE BALANCE SHEET AS AT 31.03.2020 OF PREMIER FERRO ALLOYS & SECURITIES LTD		
PARTICULARS	(Rs. In Lakhs)	
	Amount Outstanding	Amount Overdue
<b>LIABILITIES SIDE:</b>		
(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures: Secured	—	—
Unsecured	—	—
(Other than falling within the meaning of public deposits)	—	—
(b) Deferred Credits	—	—
(c) Term Loans	5,000.00	—
(d) Inter-Corporate Loans & Borrowings	16,235.32	—
(e) Commercial Paper	—	—
(f) Public Deposits	—	—
(g) Other Loans (Specify nature)	—	—
<b>ASSETS SIDE:</b>		
	<b>AMOUNT OUTSTANDING</b>	
(2) Break-up of Loans and Advances including Bills Receivables [Other than those included in (3) below]:		
(a) Secured		—
(b) Unsecured		20,340.17
(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:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	—	—
(iv) Government Securities	—	—
(v) Others (Specify)	—	—
2. Unquoted:		
(i) Shares: (a) Equity	—	—
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of Mutual Funds	—	—
(iv) Government Securities	—	—
(v) Others (Specify)	—	—

Contd.....





**SCHEDULE TO THE BALANCE SHEET AS AT 31.03.2020 OF PREMIER FERRO ALLOYS & SECURITIES LTD**

Long Term Investments :			
1. Quoted :			
(i) Shares : (a) Equity		--	
(b) Preference		--	
(ii) Debentures and Bonds		--	
(iii) Units of Mutual Funds		--	
(iv) Government Securities		--	
(v) Others (Specify)		--	
2. Unquoted :			
(i) Shares : (a) Equity		6729.92	
(b) Preference		913.53	
(ii) Debentures and Bonds		--	
(iii) Units of Mutual Funds		--	
(iv) Government Securities		--	
(v) Others (Share Application)		--	
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :			
Category	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties	--	--	--
(a) Subsidiaries	--	--	--
(b) Companies in the same group	-	77.46	77.46
(c) Other related parties	-	210.88	210.88
2. Other than related parties	-	20,051.82	20,051.82
TOTAL:		20,340.17	20,340.17
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category	Market Value/ Break-up or fair Value or NAV	Book Value (Net of Provisions)	
1. Related Parties	--	--	
(a) Subsidiaries	4580.84	6040.33	
(b) Companies in the same group	--	--	
(c) Other related parties	32.05	182.07	
2. Other than related parties	1421.05	1421.05	
TOTAL:	6033.94	7643.45	
(7) Other Information			
Particulars		Amount	
(i) Gross Non-Performing Assets			
(a) Related Parties		--	
(b) Other than related Parties		89.66	
(ii) Net Non-Performing Assets			
(a) Related Parties		--	
(b) Other than related Parties		0.00	
(iii) Assets acquired in satisfaction of debts		--	

In terms of our attached report of even date

For and on behalf of the Board

For AGRAWAL TONDON & CO.

Chartered Accountants

ICAI Firm Registration No. 329088E

Radhakrishnan Tondon

Partner

Membership No. 063534

Place: Kolkata

Dated : 31st July, 2020



Santinath Paul

CFO & Director

DIN: 03190144

Vinit Agrawal

Director

DIN: 06944709

Shreya Routh  
Shreya Routh  
Company Secretary  
Membership No. A56945

Public Disclosure on Liquidity Risk as on 31st March 2020 in accordance with RBI circular EB/2019-20/86 DOR.NEFC (PD) CC. No.102/03.10.001/2019-20 dt - November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount (₹ crore)	% of Total deposits	% of Total Liabilities
1	9	192.23	N.A.	83.20%

(ii)

Top 20 large deposits (amount in ₹ crore and % of total deposits)	Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposits
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(iii) Top 10 borrowings (amount in ₹ crore and % of total borrowings)

Sr. No.	Name of the instrument/product	Amount (₹ crore)	% of Total Liabilities
1	Financial Institution	50.00	21.64%
2	NCD	-	0.00%
3	Other Unsecured Loan	142.23	61.56%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Amount (₹ crore)	% of Total Liabilities
1	Financial Institution	50.00	21.64%
2	NCD	0.00	0.00%
3	Other Unsecured Loan	142.23	61.56%

(v) Stock Ratios:

Sr. No.	Particulars	as a % Public funds	as a % of Total Liabilities	as a % of Total Assets
1	Commercial papers	NA	NA	NA
2	Non Convertible Debentures (Original Maturity less than 1 year)	NA	NA	NA
3	Other Short term liabilities	111.78%	93.00%	76.21%

(vi) Institutional set-up for liquidity risk management

- The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.
- The Company also has a Risk Management Committee, and is responsible for evaluating the overall risks faced by the Company including liquidity risk.
- Asset Liability Committee of the Company consisting of the Company's Directors is responsible for ensuring adherence to the risk tolerance /limits as well as implementing the liquidity risk management strategy of the Company
- The Company is in the process of setting up the ALM support group and defining its role and structure

Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

*Paulho*





B-1 In accordance with Notification No. DNBS.200 / CGM(PK)-2008 dated August 1, 2008 issued by Reserve Bank Of India (as modified in time to time) for Non Deposit taking Systemically Important NBFCs, the following are the disclosures as regards Capital Adequacy and Liquidity.

CRAR		
Items	Current Year	Previous Year
CRAR (%)	2.85%	3.77%
CRAR - Tier I Capital (%)	2.09%	3.44%
CRAR - Tier II Capital (%)	0.35%	0.67%
Amount of subordinated debt raised as Tier-II capital	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

B-2 Investments

Particulars			Current Year	Previous Year
1) Value of Investments				
a) Gross Value of Investments				
i) In India			75.43	66.95
ii) Outside India			-	-
Provision for Depreciation				
a) In India			-	-
b) Outside India			-	-
Net Value of Investments				
a) In India			75.43	66.95
b) Outside India			-	-
2) Movement of provisions held towards depreciation on investments.				
i) Opening balance			-	-
ii) Add: Provisions made during the year			-	-
iii) Less: Write-off / write-back of excess provisions during the year			-	-
iv) Closing Balance			-	-

B-3 Derivatives

Particulars			F.Y. 2019-20	F.Y. 2018-19
i) Forward Rate Agreement / Interest Rate Swap			NA	NA

Particulars			F.Y. 2019-20	F.Y. 2018-19
ii) Exchange Traded Interest Rate (IR) Derivatives			NA	NA

iii) Disclosures on Risk Exposure in Derivatives

Particulars						
a) Qualitative Disclosure			F.Y. 2019-20	F.Y. 2018-19		
			NA	NA		
Particulars			F.Y. 2019-20		F.Y. 2018-19	
			Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
b) Quantitative Disclosures			Nil	Nil	Nil	Nil

B-4 Securitisation

Particulars			F.Y. 2019-20	F.Y. 2018-19
i) Disclosures relating to Securitisation			NA	NA

Particulars			F.Y. 2019-20	F.Y. 2018-19
ii) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction			NA	NA

Particulars			F.Y. 2019-20	F.Y. 2018-19
iii) Details of Assignment transactions undertaken by applicable NBFCs			NA	NA

Particulars			F.Y. 2019-20	F.Y. 2018-19
iv) Details of non-performing financial assets purchased / sold			NA	NA

B-5 Maturity pattern of certain items of assets and liabilities

	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month upto 6 months	Over 6 month upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
<b>Liabilities:</b>										
Borrowings from Banks	-	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	30.30	162.35	-	-	-
<b>Assets:</b>										
Loans & Advances	-	-	-	-	-	-	203.49	-	-	-
Investment (Including Stock in Trade)	-	-	-	-	-	-	14.21	-	-	62.22

Note:  
i) Short Term Loans and advances are repayable on demand and hence have been considered in 6 months to 1 year category.  
ii) The gap (if any) is mainly due to funds borrowed temporarily on short term purpose which will be filled by fresh loans with longer tenure.



B-4 Exposures

B-4 Exposure to Real Estate Sector

Category	Current Year	Previous Year
<b>A. Direct Exposure</b>		
(i) Residential Mortgages :- Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual housing loans up to Rs.15 lakh may be shown separately)	0	0
(ii) Commercial Real Estate :- Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-storied commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	0.90	18.90
(iii) Investment in Mortgage Backed Securities (MBS) and other securitized exposures :-		
a. Residential	NIL	NIL
b. Commercial Real Estate	NIL	NIL
(iv) Unsecured Loans and Investment in Real Estate Sector	14.80	0.37
<b>B. Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	NIL	NIL
Non-Fund Based (Guarantee & Pledge)	NIL	NIL

B-5 Exposure to Capital Market

Particulars	Current Year	Previous Year
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	67.30	66.95
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESCOs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>67.30</b>	<b>66.95</b>

B-7 Registration obtained from other financial sector regulators as on 31.03.2020

NA

B-8 Details of penalties imposed by RBI and other regulators as on 31.03.2020

No penalty has been imposed by RBI and other regulators on the Company during the financial year ended 31st March, 2020 and 31st March, 2019.

B-9 Ratings assigned by credit rating agencies and migration of ratings during FY 2019-20

Nil

B-10 Remuneration of Directors for FY 2019-20

Nil





# PREMIER FERRO ALLOYS & SECURITIES LIMITED

687, Anandapur E M Bypass , Kolkata - 700 107

Annexure - B 11

## PART - F

### ASSETS CLASSIFICATIONS

I. Aggregate of credit exposures categorised into (Net of Provision):

(Amount in 'crore)

Item name	Item cod	Amount Rs.
(i) Standard assets	411	201.49
(ii) Sub-standard assets:		
(a) Lease and hire purchase assets	412	0.00
(b) Other credit facilities	413	0.00
(iii) Doubtful assets	414	0.00
(iv) Loss assets	415	0.00
<b>Total (411 to 415)</b>	<b>410</b>	<b>201.49</b>

II. Aggregate provisioning in respect of I above as per the Directions prescribed

Item Name	Item code	Provision required	Actual provision
<b>(A) Loans, advances and other credit facilities</b>			
<b>(i) Sub-standard assets :</b>			
(a) entire interest amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	421	0.00	0.00
(b) 10% of the balance of outstanding dues	422	0.00	0.00
<b>(ii) Doubtful assets :</b>			
(a) entire interest amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	423	0.00	0.00
(b) 100% to the extent not covered by realisable value of security plus 20% to 50% of the secured portion for the period the asset has remained doubtful	424	0.00	0.00
<b>(iii) Loss assets :</b>			
(a) entire interest amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	425	0.00	0.00
(b) 100 % of the outstanding balance	426	0.00	0.00
<b>Total: (Item No.421 to 426)</b>	<b>ST426</b>	<b>0.00</b>	<b>0.00</b>
<b>(B) Hire purchase and Leased assets</b>			
<b>(i) Sub-standard assets :</b>			
<b>Hire Purchase assets</b>			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	427	0.00	0.00
(b) deficit between total dues and depreciated value	428	0.00	0.00
(c) 10% of net book value	429	0.00	0.00
			Contd.....



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

687, Anandapur E M Bypass , Kolkata - 700 107

Annexure - B 11

**PART - F**

<b>Leased Assets</b>			
(d) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised	430	0.00	0.00
(e) 10% of the net book value	431	0.00	0.00
<b>(ii) Doubtful assets</b>			
<b>Hire Purchase assets</b>			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	432	0.00	0.00
(b) deficit between total dues and depreciated value	433	0.00	0.00
(c) 40% of net book value	434	0.00	0.00
<b>Leased Assets</b>			
(d) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised	435	0.00	0.00
(e) 40% of the net book value	436	0.00	0.00
<b>Hire Purchase assets</b>			
(f) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	437	0.00	0.00
(g) deficit between total dues and depreciated value	438	0.00	0.00
(h) 70% of net book value	439	0.00	0.00
<b>Leased Assets</b>			
(i) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised	440	0.00	0.00
(j) 70% of the net book value	441	0.00	0.00
<b>(iii) Loss assets</b>			
<b>Hire Purchase assets</b>			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised	442	0.00	0.00
(b) deficit between total dues and depreciated value	443	0.00	0.00
(c) 100% of net book value	444	0.00	0.00
<b>Leased Assets</b>			
(a) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised	445	0.00	0.00
(b) 100% of the net book value	446	0.00	0.00
<b>Sub-Total: (item No.427 to 446)</b>	<b>ST 446</b>	<b>0.00</b>	<b>0.00</b>
<b>Total provisions (ST426+ST446)</b>	<b>420</b>	<b>0.00</b>	<b>0.00</b>
<b>III. Other provisions (cumulative balance as on 31.03.2020 ) in respect of :</b>			
(i) Depreciation in fixed assets	451	0.01	0.01
(ii) Depreciation in investments	452	0.00	0.00
(iii) Loss/intangible assets	453	0.00	0.00
(iv) Provision for taxation	454	0.07	0.07
(v) Provision for Gratuity & Leave	455	0.02	0.02
(vi) Others (to be specified)	456	2.40	2.40
<b>Impairment Loss Allowance</b>			
<b>Total</b>	<b>450</b>	<b>2.50</b>	<b>2.50</b>





**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

687, Anandapur E M Bypass , Kolkata - 700 107

Annexure - B 12

PART-G

Particulars regarding investments in and advances to  
companies/firms in the same group and other non-banking financial companies

Item name	Item code	Amount in `crore
i) Book value of bonds and debentures and outstanding loans and advances to and deposits with subsidiaries and companies in the same group	510	0.77
ii) Investments in shares of subsidiaries and companies in the same group and all non-banking financial companies Net of NPAs.	520	0.28
iii) Investments by way of shares, debentures, loans and advances, leasing, hire purchase finance, deposits etc. in other companies, firms and proprietary concerns where directors of the company hold substantial interest	530	0.00



*Paulino*

**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

687, Anandapur E M Bypass , Kolkata - 700 107

**PART - H****Particulars regarding concentration of advances including off balance sheet exposure and investments****(Amount in `crore)**

Item name	Item Code	Amount
i) Loans and advances including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the non-banking financial company.	610	201.61
ii) Loans and advances including off-balance sheet exposures to a single group of parties in excess of 25 per cent of owned fund of the non-banking financial company	620	-
iii) Investments in a single company in excess of 15 per cent of the owned fund of the non-banking financial company	630	14.21
iv) Investments in the shares issued by a single group of companies in excess of 25 per cent of the owned fund of the non-banking financial company	640	-
v) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the non-banking financial company.	650	215.82
vi) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single group of parties in excess of 40 per cent of the owned fund of the non-banking financial company	660	0.00

**Notes :**

(1) All these exposure limits shall be applicable to the non-banking financial company's own group as well as to the borrower/investee company's group.

(2) Investment in debentures for this purpose shall be treated as credit and not investment.





**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

687, Anandapur E M Bypass , Kolkata - 700 107

**PART - I****Particulars on suit filed and decreed debts by the non-banking financial company and against it****(Amount in `crore)**

Item name	Item Code	Amount
<b>I. Suit filed and decreed by the company.</b>		
(i) Loans, advances, other credit facilities, leased assets and hire purchase assets for which the non-banking financial Company has filed suits in any Court of Law for recovery of its dues including the decreed debts :	710	0.00
Pending for over 5 years	711	0.00
Pending for 3 to 5 years	712	0.00
Pending for 1 to 3 years	713	0.00
Pending for less than one year	714	0.00
(ii) Out of (I) above, the loans, advances, other credit facilities and hire purchase assets for which decree has been obtained by the Non-banking financial company	720	0.00
(iii) Recoveries made in suit filed / decreed debts (including amounts deposited in the Court)	730	0.00
<b>II. Suit filed and decreed against the company.</b>	740	0.00



*Paulson*

**PREMIER FERRO ALLOYS & SECURITIES LIMITED**  
687, Anandapur E M Bypass , Kolkata - 700 107

Annexure - B 15

(Amount in `crore)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

	Current Year	Previous Year
Provisions for depreciation on Investment	-	-
Provisions for depreciation on Property, Plant & Equipment	0.00	0.00
Provision for Depreciation on Lease Assets Assets	0.01	-
Provision made towards Income tax	0.01	0.05
Impairment Loss Allowance	(8.69)	0.04





(Amount in 'crore)

**Concentration of Deposits, Advances, Exposures and NPAs**

<b>B-16</b>	<b>Concentration of Advances</b>	<b>Amount</b>
	Total Advances of twenty largest borrowers	201.61
	Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC	100%

<b>B-17</b>	<b>Concentration of Exposures</b>	<b>Amount</b>
	Total Exposure of twenty largest borrowers/customers	201.61
	Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers.	100.00%

<b>B-18</b>	<b>Concentration on NPA</b>	<b>Amount</b>
	Total Exposure to top four NPA Accounts	0.90

<b>B-19</b>	<b>Sector-wise NPAs</b>	<b>Percentage of NPAs to Total Advances in that sector</b>
	Sector	
	1. Agriculture & allied activities	0
	2. MSME	0
	3. Corporate borrowers	0.44%
	4. Services	0
	5. Unsecured personal loans	0
	6. Auto loans	0
	7. Other personal loans	0

**B-20 Movement of NPAs**

Particulars	Current Year	Previous Year
(i) Net NPAs to Net Advances (%)	0.00%	3.50%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	18.00	18.65
(b) Additions during the year	0.90	-
(c) Reductions during the year	18.00	0.65
(d) Closing balance	0.90	18.00
(iii) Movement of Net NPAs		
(a) Opening balance	8.37	8.37
(b) Additions during the year	-	-
(c) Reductions during the year	8.37	-
(d) Closing balance	-	8.37
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	9.63	10.28
(b) Provisions made during the year	0.90	0.00
(c) Write-off / write-back of excess provisions	9.63	0.65
(d) Closing balance	0.90	9.63

**B-21 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
NIL			

**B-22 Off-balance Sheet SPVs sponsored**

(which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	
Domestic	Overseas
0	0

**B-23 Customer Complaints**

(a) No. of complaints pending at the beginning of the year	0
(b) No. of complaints received during the year	0
(c) No. of complaints redressed during the year	0
(d) No. of complaints pending at the end of the year	0



*Paulson*

Disclosure as per RBI Circular dated 13th March, 2020 on Implementation of Indian Accounting Standards

Details as on 01st April, 2018

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7) = (4) - (6)
<b>Performing Assets</b>						
Standard	Stage 1	78,79,71,993	77,74,354	78,01,97,639	31,51,888	46,22,466
	Stage 2	-	-	-	-	-
<b>Subtotal</b>		78,79,71,993	77,74,354	78,01,97,639	31,51,888	46,22,466
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 3					
Doubtful - up to 1 yr	Stage 3					
1 to 3 years	Stage 3	18,65,00,000	10,27,80,045	8,37,19,955	10,27,80,045	0
More than 3 years	Stage 3					
<b>Subtotal for doubtful</b>						
Loss	Stage 3					
<b>Subtotal for NPA</b>		18,65,00,000	10,27,80,045	8,37,19,955	10,27,80,045	0
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norm	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>						
<b>Total</b>	Stage 1	78,79,71,993	77,74,354	78,01,97,639	31,51,888	46,22,466
	Stage 2	-	-	-	-	-
	Stage 3	18,65,00,000	10,27,80,045	8,37,19,955	10,27,80,045	0
	<b>Total</b>	97,44,71,993	11,05,54,399	86,39,17,594	10,59,31,933	46,22,466

Note : Since the impairment allowance under Ind AS 109 is not lower than the provisioning required under IRACP (including standard asset provisioning), thus there is no requirement to appropriate any amount to a separate 'Impairment Reserve' as on 01.04.2018.

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*Paulino*





Disclosure as per RBI Circular dated 13th March, 2020 on Implementation of Indian Accounting Standards

Details as on 31st March, 2019

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	2,20,48,91,756	1,44,93,694	2,19,03,98,062	88,19,567	56,74,127
	Stage 2	89,65,657	1,69,232	87,96,425	35,863	1,33,369
Subtotal		2,21,38,57,413	1,46,62,926	2,19,91,94,487	88,55,430	58,07,496
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 3					
Doubtful - up to 1 yr	Stage 3					
1 to 3 years	Stage 3	18,00,00,000	9,62,80,045	8,37,19,955	9,62,80,045	0
More than 3 years	Stage 3					
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		18,00,00,000	9,62,80,045	8,37,19,955	9,62,80,045	0
Other items such as guarantees, loan	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	Stage 1	2,20,48,91,756	1,44,93,694	2,19,03,98,062	88,19,567	56,74,127
	Stage 2	89,65,657	1,69,232	87,96,425	35,863	1,33,369
	Stage 3	18,00,00,000	9,62,80,045	8,37,19,955	9,62,80,045	0
	Total	2,39,38,57,413	11,09,42,971	2,28,29,14,442	10,51,35,475	58,07,497

Note :Since the impairment allowance under Ind AS 109 is not lower than the provisioning required under IRACP (including standard asset provisioning), thus there is no requirement to appropriate any amount to a separate 'Impairment Reserve' as on 31.03.2019.

Contd.

*Pauline*



Annexure - 'C'

Disclosure as per RBI Circular dated 13th March, 2020 on Implementation of Indian Accounting Standards  
Details as on 31st March, 2020

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Less Allowances (Provisions) as required under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	1,73,72,58,123	81,97,926	1,72,90,60,197	69,49,032	12,48,893
	Stage 2	27,77,12,791	54,72,923	27,22,39,868	11,82,866	42,90,057
<b>Subtotal</b>		<b>2,01,49,70,914</b>	<b>1,36,70,848</b>	<b>2,00,13,00,066</b>	<b>81,31,898</b>	<b>55,38,950</b>
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 3					
Doubtful - up to 1 yr	Stage 3					
1 to 3 years	Stage 3	89,65,657	89,65,657	-	89,65,657	-
More than 3 years	Stage 3					
<b>Subtotal for doubtful</b>						
Loss	Stage 3					
<b>Subtotal for NPA</b>		<b>89,65,657</b>	<b>89,65,657</b>	<b>-</b>	<b>89,65,657</b>	<b>-</b>
Other items such as guarantees, loan	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>						
<b>Total</b>	Stage 1	<b>1,73,72,58,123</b>	<b>81,97,926</b>	<b>1,72,90,60,197</b>	<b>69,49,032</b>	<b>12,48,893</b>
	Stage 2	<b>27,77,12,791</b>	<b>54,72,923</b>	<b>27,22,39,868</b>	<b>11,82,866</b>	<b>42,90,057</b>
	Stage 3	<b>89,65,657</b>	<b>89,65,657</b>	<b>-</b>	<b>89,65,657</b>	<b>-</b>
<b>Total</b>		<b>2,02,39,36,571</b>	<b>2,26,36,505</b>	<b>2,00,13,00,066</b>	<b>1,70,97,555</b>	<b>55,38,950</b>

Note :Since the impairment allowance under Ind AS 109 is not lower than the provisioning required under IRACP (including standard asset provisioning), thus there is no requirement to appropriate any amount to a separate 'Impairment Reserve' as on 31.03.2020.

*Pankaj*





## INDEPENDENT AUDITOR'S REPORT

To the Members of Premier Ferro Alloys & Securities Limited

Report on the Audit of the Consolidated Ind-AS Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Premier Ferro Alloys & Securities Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2020, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

### 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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind-AS financial statements 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.

### Other Information

The holding company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.





**Key Audit Matters**

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

Key Audit Matters	Method of dealing with the matter
1.) Ind AS 109 specifies that financial instruments are to be valued at fair value. Considering, that there may be a significant increase in reserves due to fair valuation of investments, we have identified it as a key audit matter.	Our audit procedure involved the following:- <ul style="list-style-type: none"><li>• Evaluating the management judgement about classification of investment in equity instruments as measured at fair value through other comprehensive income.</li><li>• Review of the valuation of equity instruments arrived at, on the basis of valuation report.</li><li>• Review of corresponding deferred tax adjustments on fair valuation of equity instruments, including the adjustments on disposal of the investments.</li></ul>
2.) Ind AS 109 specifies the entity to recognise Expected Credit Losses (ECL), which is a significant departure from the Incurred Loss Model, as being followed earlier.  Considering the holding company is a Non Bank Financial Company, we have identified this matter to be key audit matter.	Our audit procedure involved the following:- <ul style="list-style-type: none"><li>• Assessment of the assumptions made, and inputs considered in ECL model.</li></ul>

**Responsibility of Management for Consolidated Ind-AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind-AS financial statements that give a true and fair view of the financial position, financial performance, and consolidated cash flows of the Group 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 of the assets of the Group and for preventing and detecting





frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Consolidated Ind-AS financial statements, the respective Board of Directors of the companies within the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. Those respective Board of Directors of the companies within the Group are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Group'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 Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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 audit of the Holding Company for the preceding year was conducted by the predecessor auditor whose audit report dated 29<sup>th</sup> May, 2019 expressed an unmodified opinion.

#### Report on Other Legal and Regulatory Requirements

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 relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, Consolidated Cash Flow Statement, and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for purpose of preparation of Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (f) For the year ended March 31, 2020 the Companies in the Group have not paid any managerial remuneration to its directors as mentioned in section 197 read with Schedule V to the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i.) The Group does not have any pending litigations which would impact its financial position.





**ANNEXURE- A**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Premier Ferro Alloys and Securities Limited ("the Holding Company") and its subsidiary (holding company and subsidiary referred to as "Group")** as of March 31, 2020 to the extent of records available with us in conjunction with our audit of the consolidated financial statements as of and for the year ended 31<sup>st</sup> March, 2020.

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

The respective Board of Directors of the Holding Company, its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe





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

## Meaning of Internal Financial Controls over Financial Reporting

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

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essentials components of the 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.





# Agrawal Tondon & Co.

CHARTERED ACCOUNTANTS

Firm Registration No. : 329088E

Room No. : 7, 1st Floor, 59 Bentinck Street  
Kolkata - 700 069

Website - [www.agrawalsanjay.com](http://www.agrawalsanjay.com)

E-mail Id : [agrawaltondon2019@gmail.com](mailto:agrawaltondon2019@gmail.com)

Place: Kolkata  
Date: 31<sup>st</sup> July, 2020

For Agrawal Tondon & Co.  
Chartered Accountants

FRN No. 329088E



Radhakrishnan Tondon

Partner

Membership Number: 060534

UDIN: 20060534AAAACD2466



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**  
**CIN: L27310WB1977PLC031117**  
**Consolidated Balance Sheet as at 31st March ' 2020**

	Note No.	AS AT 31.03.2020 Amount (Rs.)	AS AT 31.03.2019 Amount (Rs.)	AS AT 01.04.2018 Amount (Rs.)
<b>ASSETS</b>				
<b>1 FINANCIAL ASSETS</b>				
(a) Cash and Cash Equivalents	2.01	2,09,49,199	46,87,177	34,91,311
(b) Loans	2.02	1,94,02,00,344	2,09,34,54,531	80,60,07,180
(c) Investments	2.03	76,73,77,942	67,25,69,723	59,08,58,180
(d) Other Financial Assets	2.04	5,96,97,829	18,94,41,986	5,78,81,779
<b>2 NON- FINANCIAL ASSETS</b>				
(a) Property, Plant & Equipment	2.05	19,24,409	19,36,258	19,50,486
(b) Other Non-Financial Assets	2.06	3,41,59,205	2,29,52,935	1,82,77,310
Right of Use Asset		7,88,347	-	-
<b>TOTAL</b>		<b>2,82,50,97,274</b>	<b>2,98,50,42,611</b>	<b>1,47,84,66,246</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1 FINANCIAL LIABILITIES</b>				
(a) Payables	2.07			
i) total outstanding dues of micro enterprises and small enterprises		-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		12,50,944	27,90,854	3,34,652
(b) Borrowings	2.08	1,93,00,00,000	2,32,40,00,000	82,10,00,000
(c) Other Financial Liabilities	2.09	20,30,71,732	2,18,69,047	10,53,15,281
<b>2 NON-FINANCIAL LIABILITIES</b>				
(a) Provisions	2.10	1,59,679	1,50,378	2,13,882
(b) Other Non-Financial Liabilities	2.11	2,32,44,665	1,24,35,060	12,10,470
(c) Deferred Tax Liabilities (net)	2.12	15,10,73,735	16,14,70,097	14,06,99,070
Lease Liability		8,00,601	-	-
<b>3 EQUITY:</b>				
(a) Equity Share Capital	2.13	1,10,55,960	1,10,55,960	1,10,55,960
(b) Other Equity		50,44,39,957	45,12,71,215	39,86,36,931
<b>TOTAL</b>		<b>2,82,50,97,274</b>	<b>2,98,50,42,611</b>	<b>1,47,84,66,246</b>

Significant Accounting Policies

Refer accompanying notes to the Financial Statements.

1  
2.01 to 2.31

In terms of our attached report of even date

For AGRAWAL TONDON & CO.

Chartered Accountants

ICAI Firm Registration No. 329088E

Radhakrishnan Tondon

Partner

Membership No. 060534



For and on behalf of the Board

Santosh Paul  
CFO & Director  
DIN: 03190144

Vinit Agrawal  
Director  
DIN: 06944709

Shreya Routh



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

**CIN: L27310WB1977PLC031117**

**Consolidated Statement of Profit & Loss for the year ended 31st March ' 2020**

	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
		Amount (Rs.)	Amount (Rs.)
<b>INCOME</b>			
Revenue from Operations			
(i) Interest Income	2.14	27,74,94,281	21,36,42,163
(ii) Net Gain on Fair Value Changes		1,48,509	67,18,429
Other Income	2.15	9,79,05,965	69,17,582
<b>TOTAL REVENUE ( I )</b>		<b>37,55,48,756</b>	<b>22,72,78,174</b>
<b>EXPENDITURE</b>			
Finance Costs	2.16	27,35,30,254	20,31,44,920
Fees and commission expense	2.17	69,06,996	1,08,66,778
Employee Benefit Expenses	2.18	13,78,914	25,51,068
Depreciation & Impairment	2.19	1,54,946	14,228
Other Expenses	2.20	5,05,74,048	1,55,38,352
<b>TOTAL EXPENSES (II)</b>		<b>33,25,45,158</b>	<b>23,21,15,346</b>
Earnings before tax (I-II)		4,30,03,598	(48,37,172)
Tax Expenses :			
- Current Tax		90,000	5,44,000
- Deferred Tax		4,03,306	2,84,514
- Income Tax for Earlier Year		-	7,794
Total Tax Expenses		4,93,306	8,36,308
Profit / (Loss) after Tax		4,25,10,292	(56,73,480)
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit & Loss			
Fair Value Gain on Equity Instruments		(1,13,045)	7,87,54,414
Remeasurement Gains of Defined Benefit Obligation		1,502	39,865
Tax on items that will not be reclassified to Profit & Loss		29,001	(2,04,86,513)
		(82,542)	5,83,07,766
<b>Other Comprehensive Income</b>		<b>(82,542)</b>	<b>5,83,07,766</b>
<b>Total Comprehensive Income for the year</b>		<b>4,24,27,750</b>	<b>5,26,34,286</b>
<b>Earning Per Share</b>			
Basic		38.45	-5.13
Diluted		38.45	-5.13

Refer accompanying notes to the Financial Statements. 2.01 to 2.31

In terms of our attached report of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants

ICAI Firm Registration No. 329088E

Radhakrishnan Tondon  
Partner  
Membership No. 060534



For and on behalf of the Board

Santinath Paul  
CFO & Director  
DIN: 03190144

Vinit Agrawal  
Director  
DIN: 06944709

Shreya Routh  
Shreya Routh  
Company Secretary  
Membership No. A56945

Place: Kolkata

Dated : 31st July, 2020

PREMIER FERRO ALLOYS & SECURITIES LIMITED

CIN: L27310WB1977PLC031117

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH ' 2020

Particulars		As at 31st March 2020	As at 31st March 2019
<b>A Cash Flow from Operating Activities</b>			
Profit before exceptional items and taxes		4,30,03,598	(48,37,172)
Adjustments to reconcile profit before tax to net cash flows:			
Add / (Less): Non-cash expenses / (Income)			
Impairment Loss Allowance		(8,69,20,826)	3,88,573
Interest on Security Deposit at Amortised Cost		(18,636)	(3,510)
Interest on Lease Liability		32,985	-
Depreciation on Lease assets and Property, Plant and Equipment		1,54,946	14,228
Amortisation of prepaid rent		18,168	4,200
Rent Paid		(1,93,500)	0
Operating Profit before Working Capital changes		(4,39,23,265)	(44,33,681)
Increase / (Decrease) in Payable		(15,39,910)	24,56,202
Increase / (Decrease) in Other Financial Liabilities		18,12,02,687	(8,34,46,234)
Increase / (Decrease) in Other Non Financial Liabilities		1,08,09,604	1,12,24,589
Increase / (Decrease) in Provisions		10,802	(23,639)
Increase / (Decrease) in Borrowings		(39,40,00,000)	1,50,30,00,000
(Increase) / Decrease Security Deposit (Net paid)		(18,000)	(70,000)
(Increase) / Decrease in Other Financial Assets		12,07,78,500	(13,15,60,207)
(Increase) / Decrease in Other Non Financial Assets		(6,62,188)	(10,03,868)
(Increase) / Decrease in Loans		24,91,50,000	(1,28,77,83,418)
Cash Generated from / (Used in) Operations		12,18,08,230	83,59,744
Income Tax		(1,06,24,945)	(42,06,748)
Net Cash Generated from / (Used) in Operating Activities	(A)	11,11,83,285	41,52,996
<b>B Cash Flow from Investing Activities</b>			
(Purchase) of Investments		(14,21,05,263)	(29,57,130)
Sale of Investments		4,71,84,000	-
Net Cash Generated from / (Used) in Investing Activities	(B)	(9,49,21,263)	(29,57,130)
<b>C Cash Flow From Financing Activities</b>			
Net Cash from Financing Activities	(C)	-	-
Net Cash Generated during the year (A) + (B) + (C)		1,62,62,022	11,95,866
Cash & Cash Equivalents at the beginning of the year		46,87,177	34,91,311
Cash & Cash Equivalents at the end of the year		2,09,49,199	46,87,177
<b>Components of Cash and Cash Equivalents</b>			
Cash and cash equivalents at the end of the year			
- Cash on hand		77,035	78,754
- Cheques and drafts on hand		1,80,03,664	-
- Balances with banks in current accounts		28,68,500	46,08,423
Total		2,09,49,199	46,87,177

In terms of our attached report of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants  
ICAI Firm Registration No. 329088E

Radhakrishnan Tondon  
Partner  
Membership No. 060534



Place: Kolkata  
Dated : 31st July, 2020

For and on behalf of the Board

Santinath Paul  
CFO & Director  
DIN: 03190144

Vinit Agrawal  
Director  
DIN: 06944709

Shreya Routh  
Company Secretary  
Membership No. A56945



PREMIER FERRO ALLOYS & SECURITIES LIMITED

CIN: L27310WB1977PLC031117

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH ' 2020

i) Equity Share Capital

Balance as at 1st April, 2018	Changes during the year	Balance as at 31st March, 2019	Changes during the year	Balance as at 31st March, 2020
1,10,55,960	-	1,10,55,960		1,10,55,960

ii) Other Equity

Particulars	Statutory Reserves	Capital reserve	Surplus	Other Comprehensive Income	Total
Balance as at 1st April, 2018	1,73,53,150	2,75,45,592	(5,03,18,548)	-	(54,19,806)
Gain on Investments at Fair Value (net of tax)	-	-	4,41,41,540	-	4,41,41,540
Revaluation profit of Subsidiary (net of Tax)	-	-	36,33,35,821	-	36,33,35,821
Impairment Loss due to Expected Credit Loss	-	-	(46,22,466)	-	(46,22,466)
Tax Related to above	-	-	12,01,841	-	12,01,841
Restated balance as at 1st April, 2018	1,73,53,150	2,75,45,592	35,37,38,189	-	39,86,36,931
Profit/(Loss) for the year	-	-	(56,73,482)	-	(56,73,482)
Other Comprehensive Income / (loss)	-	-	-	5,83,07,766	5,83,07,766
Total Comprehensive Income for the year	-	-	(56,73,482)	5,83,07,766	5,26,34,284
Balance as at 31st March 2019	1,73,53,150	2,75,45,592	34,80,64,706	5,83,07,766	45,12,71,215
Profit/(Loss) for the year	-	-	4,25,10,292	-	4,25,10,292
Other Comprehensive Income / (loss)	-	-	-	(82,542)	(82,542)
Total Comprehensive Income for the period	-	-	4,25,10,292	(82,542)	4,24,27,750
Adjustments on account of Ind-AS 116	-	-	(29,674)	-	(29,674)
Tax Related to above	-	-	7,715	-	7,715
Transfer of gain of fair value on account of sale of investment to Retained Earning	-	-	18,155	(18,155)	-
Deferred Tax reversal of Related to above Transfer	-	-	1,16,56,685	-	1,16,56,685
Deferred Tax reversal for ECL (on 01-04-2018 and for FY 2018-19)	-	-	(8,93,733)	-	(8,93,733)
Transfer to Statutory Reserve	88,00,227	-	(88,00,227)	-	-
Balance as at 31st March 2020	2,61,53,377	2,75,45,592	39,25,33,919	5,82,07,069	50,44,39,957



### Significant Accounting Policies

Premier Ferro Alloys & Securities Ltd. is registered as a Non Banking Finance Company as defined under Section 45IA of Reserve Bank of India Act, 1934.

#### Principles of Consolidation :

The Consolidated Financial Statements relate to Premier Ferro Alloys & Securities Limited ("the Company") and its wholly owned Subsidiary Company Prestige Vyapaar Limited and have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

i. Consolidated financial statements have been combined on a line-by-line basis. Intercompany transactions, balances and unrealised gains on transactions between the two companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

ii. The difference between the cost of investment in the Subsidiaries over its proportionate share in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill.

iii. Policies specific to Non Banking Financial Companies as specified in Systemically Important Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 issued vide Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17, as modified from time to time have been applied by the company. Any application guidance/ clarifications/ directions issued on Prudential norms for Income Recognition, assets classification and provisioning for Non-performing assets as well as contingency provision for Standard assets as prescribed by The Reserve Bank of India (RBI) for NBFCs are implemented as and when they are issued/ applicable.

iv. As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements.

#### 1.01 Statement of Compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under Section 133 of Companies Act, 2013. The company has adopted Ind-AS w.e.f. 1st April, 2019.

Upto Y.E. 31st March, 2019 the company prepared its financial statements in accordance with previous GAAP, which includes standards notified under Companies (Accounting Standards) Rules, 2006. These are company's first Ind-AS financial statements. The Date of Transition to Ind-AS is 1st April, 2018. Details of exceptions and optional exemptions availed by the company and principal adjustments along with related reconciliations are part of the financial statement.

#### 1.02 Basis of Preparation :

The financial statements are prepared as per historical cost convention, except for certain items that are measured at fair values, as mentioned in the accounting policies. Fair Value is the price that would be received or paid in an orderly transaction between market participants at measurement date, regardless of whether the price is directly observable or estimated using valuation technique.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

#### 1.03 Use of estimates and judgements and Estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All Assets and Liabilities have been classified as Current or Non-Current as per Companies policies & normal opening cycle & other criteria set out in the Schedule - III to the Companies Act' 2013 and Ind-AS 1 "Presentation of Financial Statements".





## Significant Accounting Policies

### 1.04 First-time adoption of Ind AS - mandatory exemptions and optional exemption

#### Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April 2018 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as mentioned below:

**Deemed cost for property, plant and equipment and intangible assets:** The Company has elected to measure property, plant and equipment, and intangible assets at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.

### 1.05 Property, Plant & Equipment:

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any. All direct expenses attributable to acquisition and installation of assets are capitalized. The deemed cost of Property, Plant & Equipment as on 1st April, 2018 is the previous GAAP carrying values, as per option given under Para D7AA of Ind-AS 101.

### 1.06 Depreciation on Tangible Assets:

Depreciation on tangible assets acquired/disposed off is provided as per Straight Line Method on pro rata basis, with reference to the date of addition or disposal based on useful life specified in Schedule II to the Companies Act, 2013.

### 1.07 Investment in Subsidiary:

Investment in Subsidiary are carried at fair value.

### 1.08 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value.

#### **Financial Assets:-**

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

#### **Financial assets are classified as those measured at:**

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved assets are managed in accordance with an approved decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Non Performing Assets including loans & advances, receivables are identified as sub-standard, or doubtful or loss assets based on the duration of delinquency. NPA provisions are made based on management's assessment of the degree of impairment and



#### Significant Accounting Policies

##### Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

In accordance with the RBI Prudential Norms read with Indian Accounting Standard - 109 issued by the Institute of Chartered Accountants of India notified by Central Government of India, Investments are stated at Fair Value.

Investments Property (if any) as defined in Ind AS-40, (Investment Property), have been accounted for in accordance with cost model as prescribed.

##### 1.10 Borrowing Costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

##### 1.11 Taxation :

Provision for tax is made for both current and deferred taxes. Provision for current tax is made at the current tax rates based on assessable income. Deferred taxes reflect the impact of current year's temporary differences between carrying values of assets and liabilities and its tax base, at the tax rates or tax laws enacted or substantially enacted at the end of reporting period. Deferred tax assets are recognized only to the extent that future taxable profits will be available against which deductible temporary difference may be utilised.

##### 1.12 Revenue recognition :

Recognition of interest income on loans Interest income is recognised in Statement of profit and loss using the effective interest method as applicable for all financial instruments measured at amortised cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset. If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

##### 1.13 Provisions and Contingent Liabilities :

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.





#### Significant Accounting Policies

##### 1.14 Retirement & Other Employee Benefits:

The Company's employee benefits primarily cover Provident Fund, Gratuity and Leave Encashment. Contribution to Provident Fund is made at a predetermined rate and charged to revenue on accrual basis. Company's liabilities towards Gratuity & Leave encashment are actuarially determined at each Balance Sheet date using the Projected Unit Credit Method.

**Remeasurement gains/losses :** Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period. Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

##### 1.15 Earnings Per Share :

The basic earnings per share is computed by dividing the net profit/ loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earning per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the result would be anti-dilutive.

##### 1.16 Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term. As per Ind-AS 116, "Leases", company has recognised a Right-of-Use asset and a corresponding lease liability for rent of the office space at 2nd Floor, Emami Tower. As per Para C5(b) of Appendix C of Ind-AS 116, the entity has elected to apply the cumulative effect of application of Ind-AS on the opening Retained Earnings as at 01st April, 2019. Therefore, the comparatives for the Y.E. 31st March, 2019 have not been restated.

##### 1.17 Cash and cash equivalents :

In the cash flow statement, cash and cash equivalents includes cash in hand.

##### 1.18 Cash Flow Statement :

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



**2.01 : CASH & CASH EQUIVALENTS**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Cash on hand	77,035	78,754	77,315
Balances with Banks			
In Current Account	28,68,500	46,08,423	34,13,996
Cheque on hand	1,80,03,664	-	-
<b>Total</b>	<b>2,09,49,199</b>	<b>46,87,177</b>	<b>34,91,311</b>

**2.02 : LOANS**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amortised Cost	Total	Amortised Cost	Total	Amortised Cost	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Loans</b>						
(A) (i) Loans repayable on demand	1,95,51,94,997	1,95,51,94,997	2,20,43,44,997	2,20,43,44,997	91,65,14,997	91,65,14,997
(ii) Staff Advance	-	-	-	-	46,582	46,582
(iii) Security Deposit	61,835	61,835	52,506	-	-	-
<b>Total (A)- Gross</b>	<b>1,95,52,56,832</b>	<b>1,95,52,56,832</b>	<b>2,20,43,97,503</b>	<b>2,20,43,44,997</b>	<b>91,65,61,579</b>	<b>91,65,61,579</b>
Less:- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (A)- Net</b>	<b>1,94,02,00,344</b>	<b>1,94,02,00,344</b>	<b>2,09,34,54,531</b>	<b>2,09,34,02,026</b>	<b>80,60,07,180</b>	<b>80,60,07,180</b>
(B) (i) Secured by Tangible Assets	-	-	18,00,00,000	-	23,00,00,000	23,00,00,000
(ii) Unsecured	1,95,52,56,832	1,94,02,00,344	2,02,43,97,503	2,09,34,02,026	68,65,61,579	57,60,07,180
<b>Total (B)- Gross</b>	<b>1,95,52,56,832</b>	<b>1,94,02,00,344</b>	<b>2,20,43,97,503</b>	<b>2,09,34,02,026</b>	<b>91,65,61,579</b>	<b>80,60,07,180</b>
Less:- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (B)- Net</b>	<b>1,94,02,00,344</b>	<b>1,92,51,43,856</b>	<b>2,09,34,54,531</b>	<b>1,98,24,59,055</b>	<b>80,60,07,180</b>	<b>69,54,52,781</b>
(C) Loans in India						
(i) Public sector						
(ii) Others	1,95,52,56,832	1,95,52,56,832	2,20,43,97,503	2,20,43,44,997	91,65,61,579	91,65,61,579
<b>Total (C)- Gross</b>	<b>1,95,52,56,832</b>	<b>1,95,52,56,832</b>	<b>2,20,43,97,503</b>	<b>2,20,43,97,503</b>	<b>91,65,61,579</b>	<b>91,65,61,579</b>
Less:- Impairment Loss Allowance	1,50,56,488	1,50,56,488	11,09,42,971	11,09,42,971	11,05,54,399	11,05,54,399
<b>Total (C)- Net</b>	<b>1,94,02,00,344</b>	<b>1,94,02,00,344</b>	<b>2,09,34,54,531</b>	<b>2,09,34,54,531</b>	<b>80,60,07,180</b>	<b>80,60,07,180</b>





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**2.03 : INVESTMENTS**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Fair Value At FVTOCI	Total	Fair Value At FVTOCI	Total	Fair Value At FVTOCI	Total
<b>Equity Instruments (Unquoted)</b>						
Pan Emami Cosmed Limited (Consolidated No of shares -FY19-20-9,00,731; FY18-19 - 9,00,731; As on 01-04-18-9,00,731 )	32,32,74,240	32,32,74,240	32,32,74,240	32,32,74,240	30,94,72,084	30,94,72,064
Ramshila Enterprises Private Limited (Consolidated No of shares -FY19-20-2,44,900; FY18-19 - 4,90,650; As on 01-04-18-4,90,650 )	4,71,33,718	4,71,33,718	9,44,30,763	9,44,30,763	8,96,76,152	8,96,76,152
Emami Agrotech Limited (Consolidated No of shares -FY19-20-2,62,857; FY18-19 - 2,62,857; As on 01-04-18-230000 )	2,74,15,730	2,74,15,730	2,74,15,730	2,74,15,730	2,22,46,694	2,22,46,694
Emami Capital Markets Limited (Consolidated No of shares -FY19-20-1,14,000; FY18-19 - 1,14,000; As on 01-04-18-1,10,000 )	10,70,58,794	10,70,58,794	10,70,58,794	10,70,58,794	5,77,92,688	5,77,92,688
Sneha Abasan Private Limited (Consolidated No of shares -FY19-20-8,200; FY18-19 - 8,200; As on 01-04-18-8,200 )	2,96,83,893	2,96,83,893	2,96,83,893	2,96,83,893	2,51,52,734	2,51,52,734
Sneha Niketan Private Limited (Consolidated No of shares -FY19-20-31,000; FY18-19 - 31,000; As on 01-04-18-31,000 )	8,80,72,519	8,80,72,519	8,80,72,519	8,80,72,519	7,32,64,220	7,32,64,220
Midkot Investments Private Limited (Consolidated No of shares -FY19-20-2,85,635; FY18-19 - 2,85,635; As on 01-04-18-2,85,635 )	26,33,785	26,33,785	26,33,785	26,33,785	1,13,83,627	1,13,83,627
Emami Securities Limited (Now Merged with Emami Capital Markets Limited) (Consolidated No of shares -FY19-20-Nil; FY18-19 - Nil; As on 01-04-18-5,000 )	-	-	-	-	18,70,000	18,70,000
<b>Investment Held for Sale</b>						
<b>i) Equity Instruments (Unquoted)</b>						
Namo Edu Infrastructure Private Limited (No of shares -FY 19-20-47,36,842; FY18-19 - Nil; As on 01-04-18 -Nil)	5,07,51,880	5,07,51,880	-	-	-	-
<b>ii) Preference Shares (Unquoted)</b>						
Namo Edu Infrastructure Private Limited (No of shares -FY19-20-85,26,316; FY18-19 - Nil; As on 01-04-18 Nil)	9,13,53,383	9,13,53,383	-	-	-	-
<b>Total (A)- Gross</b>	<b>76,73,77,942</b>	<b>76,73,77,942</b>	<b>67,25,69,723</b>	<b>67,25,69,723</b>	<b>59,08,58,180</b>	<b>59,08,58,180</b>
Investments outside India	-	-	-	-	-	-
Investments in India	76,73,77,942	76,73,77,942	67,25,69,723	67,25,69,723	59,08,58,180	59,08,58,180
<b>Total (B)</b>	<b>76,73,77,942</b>	<b>76,73,77,942</b>	<b>67,25,69,723</b>	<b>67,25,69,723</b>	<b>59,08,58,180</b>	<b>59,08,58,180</b>
Less:- Impairment Loss Allowance (C)	-	-	-	-	-	-
<b>Total (D)= A-C</b>	<b>76,73,77,942</b>	<b>76,73,77,942</b>	<b>67,25,69,723</b>	<b>67,25,69,723</b>	<b>59,08,58,180</b>	<b>59,08,58,180</b>

NB:- The shares of Namu Edu Infrastructure Private Limited are pending for transfer in name of the company.

**2.04 : OTHER FINANCIAL ASSETS**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Interest accrued & due on loans given	1,76,70,403	-	15,14,09,142	-	1,88,026	-
Less:- Impairment Loss Allowance	89,65,657	87,04,746	-	15,14,09,142	-	1,88,026
Interest accrued but not due on loans given	-	5,09,93,083	-	3,80,32,844	-	5,76,93,733
<b>Total</b>	<b>87,04,746</b>	<b>5,96,97,829</b>	<b>15,14,09,142</b>	<b>18,94,41,986</b>	<b>1,88,026</b>	<b>5,78,81,779</b>



**2.05 Property, Plant & Equipment**

Amount In Rs.

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2019 Rs.	Adjustment/ Addition during the Year Rs.	As on 31.03.2020 Rs.	Up to 01.04.2019 Rs.	For the Year Rs.	Total Rs.	As on 31.03.2020 Rs.	As on 31.03.2019 Rs.
Land	19,17,841	-	19,17,841	-	-	-	19,17,841	19,17,841
Computer	1,31,370	-	1,31,370	1,12,953	11,849	1,24,802	6,568	18,417
<b>Total :</b>	<b>20,49,211</b>	<b>-</b>	<b>20,49,211</b>	<b>1,12,953</b>	<b>11,849</b>	<b>1,24,802</b>	<b>19,24,409</b>	<b>19,36,258</b>

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2018 Rs.	Adjustment/ Addition during the Year Rs.	As on 31.03.2019 Rs.	Up to 01.04.2018 Rs.	For the Year Rs.	Total Rs.	As on 31.03.2019 Rs.	As on 31.03.2018 Rs.
Land	19,17,841	-	19,17,841	-	-	-	19,17,841	19,17,841
Computer	1,31,370	-	1,31,370	98,725	14,228	1,12,953	18,417	32,645
<b>Total :</b>	<b>20,49,211</b>	<b>-</b>	<b>20,49,211</b>	<b>98,725</b>	<b>14,228</b>	<b>1,12,953</b>	<b>19,36,258</b>	<b>19,50,486</b>





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2.06: OTHER NON-FINANCIAL ASSETS

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Other Advance	26,238	35,260	33,465
Others	4,830	11,130	11,130
Advance Income Tax (Net of Provision)	5,24,22,614	2,18,87,669	1,82,32,715
GST Receivable	16,79,583	10,02,073	-
Prepaid Rent	25,940	16,803	-
<b>Total</b>	<b>3,41,59,205</b>	<b>2,29,52,935</b>	<b>1,82,77,310</b>

2.07: PAYABLES

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Trade Payables</b>			
i) total outstanding dues of micro enterprises and small enterprises	-	-	-
ii) total outstanding dues of creditors other than micro enterprises	12,50,944	27,90,854	3,34,652
<b>Total</b>	<b>12,50,944</b>	<b>27,90,854</b>	<b>3,34,652</b>

2.08: BORROWINGS

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amortised Cost	Total	Amortised Cost	Total	Amortised Cost	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>(A) Term Loans</b>						
(i) From Bank	-	-	30,00,00,000	30,00,00,000	-	-
Secured by way of lien of FD of third party						
(ii) From Others	50,00,00,000	50,00,00,000	2,00,00,00,000	2,00,00,00,000	80,00,00,000	80,00,00,000
Secured by way of pledge of shares owned by third party						
<b>(B) Loans repayable on demand</b>						
(i) From Body Corporate	1,43,00,00,000	1,43,00,00,000	2,40,00,00,000	2,40,00,00,000	2,10,00,00,000	2,10,00,00,000
<b>Total- (A)</b>	<b>1,93,00,00,000</b>	<b>1,93,00,00,000</b>	<b>2,32,40,00,000</b>	<b>2,32,40,00,000</b>	<b>82,10,00,000</b>	<b>82,10,00,000</b>
Borrowings in India	1,93,00,00,000	1,93,00,00,000	2,32,40,00,000	2,32,40,00,000	82,10,00,000	82,10,00,000
<b>Total- (B)</b>	<b>1,93,00,00,000</b>	<b>1,93,00,00,000</b>	<b>2,32,40,00,000</b>	<b>2,32,40,00,000</b>	<b>82,10,00,000</b>	<b>82,10,00,000</b>

2.09: OTHER FINANCIAL LIABILITIES

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Other Liabilities</b>						
Interest accrued & due on borrowings	3,55,832		1,59,71,338		10,11,00,861	
Interest accrued but not due on borrowings	20,11,34,740	20,14,90,572	55,09,681	2,14,81,019	37,70,199	10,48,71,060
<b>Others</b>						
Liabilities for Expenses		5,38,004		3,88,028		4,44,221
Cheques Overdrawn due to Reconciliation		10,43,156				
<b>Total</b>		<b>20,30,71,732</b>		<b>2,18,69,047</b>		<b>10,53,15,281</b>

2.10: PROVISIONS

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Provision for Employee Benefits</b>			
Provision for Gratuity	89,872	72,928	89,945
Provision for Leave	69,807	77,450	1,23,937
<b>Total</b>	<b>1,59,679</b>	<b>1,50,378</b>	<b>2,13,882</b>

2.11: OTHER NON-FINANCIAL LIABILITIES

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Statutory Dues	2,32,44,665	1,24,35,060	12,10,470
<b>Total</b>	<b>2,32,44,665</b>	<b>1,24,35,060</b>	<b>12,10,470</b>

2.12: DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Opening Balance	16,26,77,019	14,19,05,992	(59,888)
Add: For the year	3,66,590	2,07,71,027	(12,01,841)
Reversal of DTL on sale of investment	(1,16,56,685)	-	-
Fair Value Investment	-	-	14,31,67,721
Reversal of DTL for Expected Credit Loss	8,93,733	-	-
Total DTL	15,22,80,657	16,26,77,019	14,19,05,992
Add:- MAT Credit	(12,06,922)	(12,06,922)	(12,06,922)
<b>Closing Balance</b>	<b>15,10,73,735</b>	<b>16,14,70,097</b>	<b>14,06,99,070</b>



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**2.13: SHARE CAPITAL**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Authorized Shares</b>			
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000	7,00,00,000	7,00,00,000
<b>Issued, Subscribed and fully paid-up</b>			
11,05,596 Equity Shares of Rs.10/- each fully paid up	1,10,55,960	1,10,55,960	1,10,55,960
<b>Total</b>	<b>1,10,55,960</b>	<b>1,10,55,960</b>	<b>1,10,55,960</b>

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

**Equity Shares**

PARTICULARS	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the Beginning of the period	11,05,596	1,10,55,960	11,05,596	1,10,55,960	11,05,596	1,10,55,960
Changes during the period	-	-	-	-	-	-
At the end of the period	11,05,596	1,10,55,960	11,05,596	1,10,55,960	11,05,596	1,10,55,960

**b) The Rights and Preferences attached to the shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing AGM. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts in proportion to the no. of equity shares held by the share holders.

**c) Details of shareholders holding more than 5% shares in the company**

Sl. No.	Name of Shareholders	AS AT 31.03.2020		AS AT 31.03.2019		AS AT 01.04.2018	
		No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class
1	Namaskar Fashion Private Limited	75,000	6.78	75,000	6.78	75,000	6.78
2	Santosh Goenka	74,700	6.76	74,700	6.76	74,700	6.76

**Other Equity**

**Description of the nature and purpose of Other Equity:**

Special reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

**2.14: REVENUE FROM OPERATIONS:**

**(I) INTEREST INCOME**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
On Financial Asset measured at Amortised Cost		
Interest on Loans	27,74,94,281	21,36,42,163
<b>Total</b>	<b>27,74,94,281</b>	<b>21,36,42,163</b>

**(II) NET GAIN/(LOSS) ON FAIR VALUE CHANGES**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Net Gain/Loss on Financial Instruments at FVTPL		
On Trading Portfolio		
- Investments	1,48,509	67,18,429
<b>Total Net Gain/(Loss) on Fair Value Changes</b>	<b>1,48,509</b>	<b>67,18,429</b>
Fair Value Changes:		
(i) Realised	1,48,509	67,18,429
(ii) Unrealised	-	-
<b>Total Net Gain/(Loss) on Fair Value Changes</b>	<b>1,48,509</b>	<b>67,18,429</b>

**2.15: OTHER INCOME:**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Interest on Income Tax Refund	6,14,973	4,14,072
Interest on Security Deposit	18,636	3,510
Impairment Loss Allowance W/Back	9,72,72,123	65,00,000
Excess Provision for Expenses Written Back	233	-
<b>Total</b>	<b>9,79,05,965</b>	<b>69,17,582</b>

**2.16: FINANCE COST:**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
On Financial Liabilities measured at Amortised Cost		
Interest on Borrowings	27,34,97,269	20,31,44,920
Interest on Lease Liability	32,983	-
<b>Total</b>	<b>27,35,30,254</b>	<b>20,31,44,920</b>

**2.17: FEES AND COMMISSION EXPENSES:**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Fees and commission paid	69,06,996	1,08,66,778





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**2.18 : EMPLOYEE BENEFIT EXPENSE**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Salaries & Wages	11,18,430	20,43,095
Contribution to Provident & Other Funds	1,05,238	1,33,371
Staff Welfare Expenses	27,145	27,914
Other Employee benefits	1,38,101	3,46,688
<b>Total</b>	<b>13,78,914</b>	<b>25,51,068</b>

**2.19 : DEPRECIATION & AMORTISATION**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Depreciation on Property, Plant & Equipment	11,849	14,228
Depreciation on Lease Assets	1,43,097	-
<b>Total</b>	<b>1,54,946</b>	<b>14,228</b>

**2.20 : OTHER EXPENSES**

PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
	Amount (Rs.)	Amount (Rs.)
<b>Payment to Auditor:</b>		
- Statutory Audit Fees	83,780	83,780
- Tax Audit Fees	17,700	17,700
- Other	1,10,060	63,380
GST Audit Fees	10,900	-
Advertising Expenses	37,052	44,357
Annual Membership Fees	11,861	9,912
Insurance & Taxes	10,400	10,400
Internal Audit Fees	-	3,75,469
Law and Professional Charges	11,60,522	7,66,670
Listing Fees	27,250	27,250
Filing Fees	12,800	6,250
Bad debts	3,78,94,737	65,20,303
Interest on TDS	6,76,823	-
Miscellaneous Expenses	1,26,799	4,98,249
Service Charges	679	592
Impairment Loss Allowance	1,03,51,297	68,88,373
Rent Paid	-	2,01,600
GST Expense	23,220	-
Amortisation of Prepaid Rent	18,168	4,300
Annual Custody Fees	-	1,967
Registration Charges	-	17,700
<b>Total</b>	<b>5,05,74,048</b>	<b>1,55,38,352</b>



## 2.21 Information for Earning per Share:

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
	Amount (Rs.)	Amount (Rs.)
Net Profit after Tax	4,25,10,292	(56,73,480)
Number of Equity Share	11,05,596	11,05,596
Earning per Share of Rs 10/- each (Basic & Diluted)	38.45	(5.13)

## 2.22 Gain on Investments at Fair Value (net of tax)

Details as per actuarial valuations as on 31<sup>st</sup> March/2020 & 31st March, 2019; as recognized in the financial statements in respect of employees benefit schemes :

Revaluation profit(Prestige) (net of Tax)	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
	2019-2020	2019-2020	2018-2019	2018-2019
<b>A. Components of Employer Expenses</b>				
1. Current Service Cost	13,596	6,606	16,102	39,531
2. Interest Cost	4,850	4,362	6,746	3,376
3. Expected Return on Plan assets	-	-	-	68,464
4. Actuarial Losses/(Gains)	-	6,041	-	-
5. Cost/(Loss)/Gain on Settlement	-	(1,867)	-	-
6. Total Expense recognised in Profit & Loss	18,446	15,142	22,848	1,11,371
<b>B. Amount recognised in Other Comprehensive income</b>				
Actuarial (gains)/ losses arising from changes in -				
- financial assumptions	(1,502)	-	(39,865)	-
Total amount recognised in other comprehensive income	(1,502)	-	(39,865)	-
<b>C. Net asset/(liability) recognised in balance sheet as at March 31, 2018</b>				
1. Present value of Defined Benefit Obligation	(89,872)	(69,807)	(72,928)	(77,450)
2. Fair Value of Plan assets	-	-	-	-
3. Net Asset/(liability) recognized in Balance Sheet	(89,872)	(69,807)	(72,928)	(77,450)
<b>D. Change in Defined Benefit Obligations during the year ended March 31, 2018</b>				
1. Present value of DBO at the beginning of the period	72,928	77,450	89,945	1,23,937
2. Current Service Cost	13,596	6,606	16,102	39,531
3. Interest Cost	4,850	4,362	6,746	3,376
4. Actuarial Losses/(Gains)	-1502	6,041	(39,865)	68,464
5. Settlement Cost	-	1,867	-	-
6. Benefits Paid	-	22,785	-	1,57,858
7. Present value of PBO at the end of the period	89,872	69,807	72,928	77,450
<b>Actuarial Basis used in valuation</b>	(F.Y. 2019 - 2020)	(F.Y. 2018- 2019)	(F.Y. 2019- 2020)	(F.Y. 2018- 2019)
Interest Rate	6.65% p.a.	7.50% p.a.	6.65% p.a.	7.50% p.a.
Salary Inflation	6.00% p.a.	6.00% p.a.	6.00% p.a.	6.00% p.a.

## 2.23 Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

Regulatory Capital	31/03/2020	31/03/2019	01/04/2018
Tier I Capital	4,46,40,857	(14,09,26,246)	(5,81,60,348)
Tier II Capital	83,57,236	1,46,43,740	79,87,881
Total Capital	5,29,98,093	(12,62,82,506)	(5,01,72,468)
<b>Risk Weighted Asset</b>	<b>2,13,64,74,359</b>	<b>2,18,91,11,630</b>	<b>84,64,72,662</b>
Tier I Capital Ratio	2.09%	-6.44%	-6.87%
Tier II Capital Ratio	0.39%	0.67%	0.94%
Total Capital Ratio	2.48%	-5.77%	-5.93%

## 2.24 Financial Risk Management Framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance for the year ended 31.03.2020.

### (i) Market Risk

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

#### (a) Pricing Risk

The Company's does not hold any financial asset which will lead to a pricing risk for the company.

#### (b) Interest Rate Risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations.





### Interest Rate Sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for non-derivative instruments at the end of reporting period. As the company does not have any floating rate liability, thus no sensitivity analysis is prepared therein.

### (ii) Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Covid -19 Virus, a global pandemic has affected the world economy leading to significant volatility in financial markets and in economic activities. The extent to which the Covid -19 will impact the Company's provisions on Assets etc. will depend on the future developments, which are highly uncertain, including among the other things any new information concerning the severity of the Covid -19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the company.

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the lending institutions have been permitted to grant a moratorium upto August 31, 2020 on payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 ('moratorium period') to eligible borrowers in accordance with the Board approved policy. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period. The Company holds provisions as at 31 March 2020 based on the information available upto this point in time.

### Credit Quality of Financial Loans & Investments

The following table sets out information about credit quality of loans and investments measured at amortised cost based on days past due information. The amount represents gross carrying amount.

Particulars	31/03/2020	31/03/2019	01/04/2018
Neither Past Due nor Impaired	61,835	52,506	46,582
Past Due but not Impaired			
30 DPD	1,73,71,80,035	2,20,48,21,326	78,78,96,776
31-90 DPD	27,77,12,791	89,65,657	-
Impaired (more than 90 days)	89,65,657	18,00,00,000	18,65,00,000
Total Gross carrying value as at reporting date	2,02,39,20,318	2,39,38,39,489	97,44,43,358

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end.

### Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorises loan assets into stages primarily based on the Days Past Due (DPD) status.

Stage I	Upto 30 DPD
Stage II	31-90 DPD
Stage III	> 90 DPD

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for trade advances. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

### (i) Definition of Default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

### (ii) Exposure at Default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

### (iii) Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio after considering various other economic outlook factors.
- "Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. This is calculated as an average of the last 60 months yearly movement of default rates and future adjustment for macro-economic factor.

### (iv) Measurement of ECL

Financial assets that are not credit impaired at the reporting date: for Stage 1 & Stage 2, gross exposure is multiplied by PD and LGD percentage to arrive at the ECL. Financial assets that are credit impaired at the reporting date: the difference between the gross exposure at reporting date and computed carrying amount is considered as EAD till reporting date.

### (v) Assessment of significant increase in credit risk

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort. The Company's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the Company monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk.

### (vi) Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

### (vii) Fair Value of Collateral held against credit impaired assets

Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.





**Maturity profile of non-derivative financial liabilities**

Particulars	< 1 year	1-3 years	3-5 years	>5 years
As on 31st March, 2020				
Borrowings	1,93,00,00,000	-	-	-
Other Financial Liabilities				
(i) Interest accrued and due on borrowings	3,55,832	-	-	-
(ii) Interest accrued but not due on borrowings	20,11,34,740	-	-	-
(iii) Liabilities for Expenses	5,38,004	-	-	-
As on 31st March, 2019				
Borrowings	1,82,40,00,000	50,00,00,000	-	-
Other Financial Liabilities				
(i) Interest accrued and due on borrowings	1,59,71,338	-	-	-
(ii) Interest accrued but not due on borrowings	55,09,681	-	-	-
(iii) Liabilities for Expenses	3,88,028	-	-	-
As on 1st April, 2018				
Borrowings	32,10,00,000	50,00,00,000	-	-
Other Financial Liabilities				
(i) Interest accrued and due on borrowings	10,11,00,861	-	-	-
(ii) Interest accrued but not due on borrowings	37,70,199	-	-	-
(iii) Liabilities for Expenses	4,44,221	-	-	-

**Fair Value Hierarchy**

The following table shows the fair value hierarchy of financial instruments as follows:-

Particulars	Measured At	Level 1	Level 2	Level 3
As at 31-3-2020				
Financial Assets				
Investments in Equity Instrument				
(i) Of Subsidiary	FVTOCI	-	-	Level 3
(ii) Of Others	FVTOCI	-	-	Level 3
As at 31-3-19				
Financial Assets				
Investments in Equity Instrument				
(i) Of Subsidiary	FVTOCI	-	-	Level 3
(ii) Of Others	FVTOCI	-	-	Level 3
As at 01-04-18				
Financial Assets				
Investments in Equity Instrument				
(i) Of Subsidiary	FVTOCI	-	-	Level 3
(ii) Of Others	FVTOCI	-	-	Level 3

Level - 1 - Quoted (unadjusted) market prices in active market

Level - 2 - Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level - 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**Carrying Amount as a reasonable approximation of Fair Values**

For certain financial assets and liabilities, the carrying amount approximate the fair value as follows:-

(i) **Cash & Bank balance**- The cash and bank balance are recorded at carrying value which are a reasonable approximation of their fair values.

(ii) **Accrued Interest on Loans**- On current loans, the carrying value of the accrued interest are a reasonable approximation of their fair values.

(iii) **Interest Payable**- On current financial liabilities, the interest payable balance are a reasonable approximation of their fair values.

**2.25 Related Party Disclosures****A Parties where control exists**

Wholly owned subsidiary

Prestige Vyapaar Limited

**B Other related parties with whom transaction have taken place during the year****Key Management Personnel**

Sri Santinath Paul (Director & CFO)

Ms Shreya Routh - Company Secretary (Appointed effective from 2nd March'2020)

Mr. Mohit Arora - Company Secretary (Resignation effective from 29th February'2020)

Sri Sudip Pramanik - Manager

**Directors**

Smt. Jagdamba Kedia ( Resignation effective from 28-02-2020 )

Smt. Shampa Paul ( Additional Director -Independent Director )

Smt. Sudipta datta( Additional Director -Independent Director )

Ms Vineeta Poddar ( Director ) ( Resignation effective from 28-02-2020 )

Sri Vinit Agrawal ( Director )

**C Other Related Party:**

Fastgrow Crops Private Limited

Creative Cultivation Private Limited

Pan Emami Cosmed Limited.

Midkot Investments Private Limited





Transactions with related Parties Carried out during the year :

Particulars	Subsidiaries		Other Related Parties		Total	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Loan Taken						
Opening Principal amount of Loan Taken	-	-	-	-	-	-
Interest Outstanding (Net of TDS)	-	-	-	-	-	-
Total	-	-	-	-	-	-
Addition during the year			1,01,50,00,000		1,01,50,00,000	-
Repayment during the year			1,01,50,00,000		1,01,50,00,000	-
Closing Principal amount of Loan Taken			-		-	-
Current Interest (Net of TDS) on loan taken	-	-	12,64,795		12,64,795	-
Interest paid during the year			12,64,795		12,64,795	-
Interest payable	-	-	-		-	-
Closing Balance	-	-	-		-	-
Loan Given						
Opening Principal amount of Loan Given	-	-	18,50,000	18,50,000	18,50,000	18,50,000
Interest Outstanding (Net of TDS)	-	-	2,59,077	2,80,657	2,59,077	2,80,657
Total	-	-	21,09,077	21,30,657	21,09,077	21,30,657
Loan given during the year	-	-	49,86,00,000	1,25,00,000	49,86,00,000	1,25,00,000
Loans repayment received during the year	-	-	47,99,50,000	1,25,00,000	47,99,50,000	1,25,00,000
Closing Principal amount of Loan Given	-	-	2,05,00,000	18,50,000	2,05,00,000	18,50,000
Current Interest (Net of TDS) on loan given	-	-	48,25,985	2,59,077	48,25,985	2,59,077
Interest received during the year	-	-	44,96,564	2,80,657	44,96,564	2,80,657
Interest receivable	-	-	5,88,498	2,59,077	5,88,498	2,59,077
Closing Balance	-	-	2,10,88,498	21,09,077	2,10,88,498	21,09,077
a) Rent Paid	-	-	-	1,30,800	-	1,30,800
b) Rent Received	-	-	-	-	-	-
c) Remuneration paid to Key Managerial Personnel	-	-	8,24,691	6,57,955	8,24,691	6,57,955

2.26 As per the information available with the Company, Trade Payables do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2020 & 31st March, 2019.

2.27 Leases

Operating Lease

The Group has adopted Ind-AS 116 "Leases" w.e.f. 1st April, 2019. This Standard primarily requires the company, as a lessee recognise, at the commencement, a Right-of-use-Asset and a Lease Liability (representing Present Value of outstanding lease payments). Such Right-of-use Asset are subsequently depreciated, and lease liability reduced, when paid, with interest on lease liability being recognised as Finance Costs. The Group has elected to apply this Standard using modified retrospective (cumulative catch-up approach). Accordingly, the comparatives are not restated.



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

CIN: L27310WB1977PLC031117

**Reconciliation of Consolidated Balance Sheet as at 1st April, 2018 and 31st March ' 2019**

**Note No - 2.28**

Particulars	Note No.	As at 1st April, 2018			As at 31st March, 2019		
		As per Indian GAAP	Changes	As per Ind-AS	As per Indian GAAP	Changes	As per Ind-AS
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

**ASSETS**

**FINANCIAL ASSETS**

(a) Cash and Cash Equivalents	2.01	34,91,311	-	34,91,311	46,87,177	-	46,87,177
(b) Loans	2.02	81,37,34,952	(77,27,772)	80,60,07,180	2,10,81,34,952	(1,46,80,421)	2,09,34,54,531
(c) Investments	2.03	4,02,13,098	55,06,45,082	59,08,58,180	4,31,70,228	62,93,99,495	67,25,69,723
(d) Other Financial Assets	2.04	5,78,81,779	-	5,78,81,779	18,94,41,986	-	18,94,41,986

**NON-FINANCIAL ASSETS**

(a) Deferred Tax Assets (Net)	2.12	59,888	(59,888)	-	83,482	(83,482)	-
(b) Property, Plant & Equipment	2.05 (I)	19,50,486	-	19,50,486	19,36,258	-	19,36,258
(c) Other Non-Financial Assets	2.06	1,95,30,814	(12,53,504)	1,82,77,310	2,41,43,054	(11,90,119)	2,29,52,935

**TOTAL**

93,68,62,328	54,16,03,918	1,47,84,66,246	2,37,15,97,137	61,34,45,474	2,98,50,42,611
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**LIABILITIES & EQUITY**

**LIABILITIES**

**FINANCIAL LIABILITIES**

(a) Payable	2.07						
i) total outstanding dues of micro enterprises and small enterprises							
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	3,34,652	3,34,652	-	27,90,854	27,90,854
(a) Borrowings	2.08	82,10,00,000	-	82,10,00,000	2,32,40,00,000	-	2,32,40,00,000
(b) Other Financial Liabilities	2.09	10,56,79,745	(3,64,464)	10,53,15,281	2,46,59,901	(27,90,854)	2,18,69,047

**NON-FINANCIAL LIABILITIES**

(a) Provisions	2.10	33,65,770	(31,51,888)	2,13,882	90,05,808	(88,55,430)	1,50,378
(b) Other Non-Financial Liabilities	2.11	11,80,659	29,811	12,10,470	1,24,35,060	-	1,24,35,060
(c) Deferred Tax Liabilities (Net)	2.12	-	14,06,99,070	14,06,99,070	-	16,14,70,097	16,14,70,097

**EQUITY:**

(a) Equity Share Capital	2.13	1,10,55,960	-	1,10,55,960	1,10,55,960	-	1,10,55,960
(b) Other Equity		(54,19,806)	40,40,56,737	39,86,36,931	(95,59,592)	46,08,30,807	45,12,71,215

**TOTAL**

93,68,62,328	54,16,03,918	1,47,84,66,246	2,37,15,97,137	61,34,45,474	2,98,50,42,611
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In terms of our attached report of even date

**AGRAWAL TONDON & CO.**

Chartered Accountants

ICAI Firm Registration No. 329088E

*Radhakrishnan Tondon*

Radhakrishnan Tondon

Partner

Membership No. 060534



Place: Kolkata

Dated : 31st July 2020

For and on behalf of the Board

*Santinath Paul*  
Santinath Paul  
CFO & DIRECTOR  
DIN: 03190144

*Vinit Agarwal*  
Vinit Agarwal  
DIRECTOR  
DIN: 06944709

*Shreya Routh*  
Shreya Routh  
COMPANY SECRETARY  
Membership No. A56945



**PREMIER FERRO ALLOYS & SECURITIES LIMITED**

CIN: L27310WB1977PLC031117

Reconciliation of Consolidated Statement of Profit & Loss for the year ended 31st March ' 2019

Reconciliation of Consolidated Statement of Profit & Loss for the year ended 31st March 2017					
Particulars	Note No.		As per Indian GAAP	Changes	As per Ind-AS
			Rs.	Rs.	Rs.
INCOME					
Revenue from Operations					
(i) Interest Income	2.14		21,36,42,163	-	21,36,42,163
(ii) Net Gain on Fair Value Changes			67,18,429	-	67,18,429
Other Income	2.15		69,14,072	3,510	69,17,582
TOTAL REVENUE ( I )			22,72,74,664	3,510	22,72,78,174
EXPENDITURE					
Finance Costs	2.16		20,31,44,920	-	20,31,44,920
Fees and Commission Expenses	2.17		1,08,66,778	-	1,08,66,778
Employee Benefit Expenses	2.18		25,11,203	39,865	25,51,068
Depreciation, Amortisation & Impairment	2.19		14,228	-	14,228
Other Expenses	2.20		1,43,49,121	11,89,230	1,55,38,352
TOTAL EXPENSES (II)			23,08,86,250	12,29,095	23,21,15,346
Earnings before tax (I-II)			(36,11,586)	(12,25,586)	(48,37,172)
Tax Expenses :					
- Current Tax			5,44,000	-	5,44,000
- Deferred Tax			(23,594)	3,08,108	2,84,514
- Income Tax for Earlier Year			7,794	-	7,794
Total Tax Expenses			5,28,200	3,08,108	8,36,308
Profit / (Loss) after Tax			(41,39,786)	(15,33,694)	(56,73,480)

In terms of our attached report of even date  
For AGRAWAL TONDON & CO,  
Chartered Accountants  
ICAI Firm Registration No. 329088E

For and on behalf of the Board

*Radhakrishnan Tondon*  
Radhakrishnan Tondon  
Partner  
Membership No. 060534



*Santosh Paul*  
Santosh Paul  
CFO & DIRECTOR  
DIN: 03190144

*Vinit Agarwal*  
Vinit Agarwal  
DIRECTOR  
DIN: 06944709

Place: Kolkata  
Dated : 31st July 2020

*Shreya Routh*  
Shreya Routh  
COMPANY SECRETARY  
Membership No. A56945

2.29 The company holds more than 20% of the voting power (Equity Share Capital) of Namo Edu Infrastructure Limited as on 31st March 2020. However such investment is acquired and held for sale. Thus the consolidated financial statement for this associate is not prepared as per paragraph 13 of Ind AS- 28 "Investments in Associates".

2.30 Disclosure as per circular No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 of Reserve Bank of India dt April 17, 2020

	Rs.
i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	2,77,12,791
ii) Respective amount where asset classification benefits is extended-	2,77,12,791
iii) Provisions made for above as on 31.03.2020	13,85,640
iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions -	NA

2.31 The enclosed financial statements have been prepared in accordance with Schedule III (Division III) of the Companies Act, 2013. Previous year figures have accordingly been reclassified / regrouped / rearranged whenever necessary.

#### Signature to Notes 1 & 2

In terms of our attached report of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants  
ICAI Firm Registration No. 829088E

Radhakrishnan Tondon  
Partner  
Membership No. 060534

Place: Kolkata  
Dated : 31st July, 2020



*Santinath Paul*  
Santinath Paul  
CFO & Director  
DIN: 03190144

*Vinit Agrawal*  
Vinit Agrawal  
Director  
DIN: 06944709

*Shreya Routh*  
Shreya Routh  
Company Secretary  
Membership No. A56945



PREMIER FERRO ALLOYS & SECURITIES LIMITED  
CIN: L27310WB1977PLC031117  
STATEMENT REGARDING SUBSIDIARY COMPANIES

PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF THE SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

1) Name of the Subsidiary Company	: Prestige Vyapaar Limited
2) Reporting period for the Subsidiary Company	: Similar to the reporting period of Holding Company, i.e. 01.04.2019 to 31.03.2020
3) Reporting Currency of the Subsidiary Company	: INR
4) Share Capital of the Subsidiary Company	: Rs.25,52,000/-
5) Reserves & Surplus of the Subsidiary Company	: Rs.45,14,90,580/-
6) Total Assets of the Subsidiary Company	: Rs. 60,95,99,222/-
7) Total Liabilities of the Subsidiary Company	: Rs. 60,95,99,222/-
8) Investments of the Subsidiary Company	: Rs.60,70,65,323/-
9) Turnover of the Subsidiary Company	: Rs.6,212/-
10) Profit before Taxation of the Subsidiary Company	: Rs.(13,45,217/-)
11) Provision for Taxation of the Subsidiary Company	: NIL
12) Profit after Taxation of the Subsidiary Company	: Rs.(14,79,711/-)
13) Proposed Dividend of the Subsidiary Company	: NIL
14) % of Shareholding	: 100% shares held by Premier Ferro Alloys & Securities Ltd alongwith its nominee shareholders.

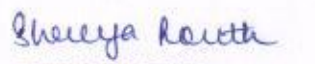
For or on behalf of the Board



Place: Kolkata  
Dated : 31st July, 2020

  
SANTINATH PAUL  
CFO & DIRECTOR  
DIN: 03190144

  
VINIT AGRAWAL  
DIRECTOR  
DIN: 06944709

  
SHREYA ROUTH  
COMPANY SECRETARY  
MEMBERSHIP NO: A56945

PREMIER FERRO ALLOYS & SECURITIES LIMITED

CIN: L27310WB1977PLC031117

Notes to the Consolidated financial statements for the year ended 31st March ' 2020

Name of the Entity	Net Assets (i.e. Total Assets minus Total Liabilities)		Share in Profit or Loss	
	As a % of Consolidated Net Assets	Amount (Rs)	As a % of Consolidated Profit or Loss	Amount (Rs)
<u>Parent Company</u>				
Premier Ferro Alloys & Securities Limited	98.76	50,91,02,846	103.13	4,43,48,815
<u>Subsidiary</u>				
Prestige Vyapaar Limited	1.24	63,93,071	(3.13)	(13,45,217)
	100	51,54,95,917	100	4,30,03,598

