

# GROVY INDIA LIMITED

CIN: L74130DL1985PLC021532

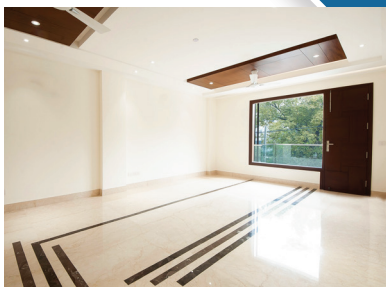
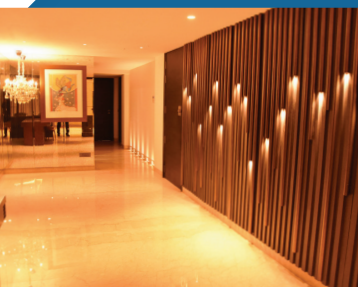
OPTIVA

## 2019-20 **35<sup>TH</sup>** ANNUAL REPORT



# GROVY

TOGETHER, WE GROW



# Corporate Information

## KEY MANAGERIAL PERSONNEL

Mr. Nishit Jalan, Whole-Time Director & CEO

Mr. Ankur Jalan, Chief Financial Officer

Ms. Pooja Jain, Company Secretary

## NON-EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Rajendar Prasad Rustagi

Mr. Parveen Kumar

Mr. Nawal Kishore Choudhury

## NON-EXECUTIVE DIRECTOR

Mr. Prakash Chand Jalan, Chairman

Mrs. Anita Jalan, Women Director

## STATUTORY AUDITOR

M/s Doogar & Associates

13, Community Centre, East of Kailash

New Delhi-110065

## INTERNAL AUDITOR

Mr. Murari Kumar Jha

Plot No 12 Kh No 49/14, Gali No 37a/3, Block - B  
Ground Floor, Kaushik Enclave, Salem Pur Majra  
Burari-110084

## SECRETARIAL AUDITORS

M/s Narender & Associates

Plot No. 4A, Ranaji Enclave,

Near Metro Pillar No. 48, Delhi-110043

## BOARD COMMITTEES & ITS COMPOSITION

### AUDIT COMMITTEE

Mr. Rajendar Prasad Rustagi Chairman

Mr. Nawal Kishore Choudhury Member

Mr. Parveen Kumar Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Rajendar Prasad Rustagi Chairman

Mr. Prakash Chand Jalan Member

Mr. Nishit Jalan Member

### NOMINATION & REMUNERATION COMMITTEE

Mr. Rajendar Prasad Rustagi Chairman

Mr. Nawal Kishore Choudhury Member

Mr. Parveen Kumar Member

## REGISTERED OFFICE

122, 1<sup>st</sup> Floor, Vinobapuri, Lajpat  
Nagar Part II, New Delhi-110024

Email: grovyindia@gmail.com

Website: www.grovyindia.com

## REGISTRAR AND SHARE TRANSFER AGENTS

M/s Skyline Financial Services Private Limited  
1st Floor, D-153A, Okhla Industrial Area, Phase I,  
New Delhi Pin Code 110 020

Phone: +91-11-41044923

Fax: +91-11-26812682

E-mail: viren@skylinerta.com

## BANKERS OF THE COMPANY

State Bank of India (SBI)

Axis Bank

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**GROVY INDIA LIMITED**  
**CIN: L74130DL1985PLC021532**  
**Regd. Office: 122, 1<sup>st</sup> Floor, Vinoba Puri, Lajpat Nagar Part II, New Delhi-110024**  
**Web: www.grovyindia.com, Email: grovyindia@gmail.com**

**NOTICE OF 35<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 35<sup>th</sup> (Thirty Fifth) Annual General Meeting (AGM) of the members of Grovy India Limited (the Company) will be held on **Thursday, the 30<sup>th</sup> Day of July, 2020 at 11:00 A.M at 122, Vinobapuri, Lajpat Nagar Part-II, New Delhi-110024** to transact the following businesses:

**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 ('the Board') and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash Chand Jalan (DIN: 00475545), Director, who retires by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS:**

**3. REGULARISATION OF MR. NAWAL KISHORE CHOUDHURY.**

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 Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) Mr. Nawal Kishore Choudhury (DIN 00973844), who was appointed as an Additional Director (Non-Executive Independent Director) of the Company with effect from 02<sup>nd</sup> March, 2020 and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act signifying his intention to propose himself as a candidate for the office of a Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of Five consecutive years with effect from 02<sup>nd</sup> March, 2020.

**FURTHER RESOLVED THAT** the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, things, as it may, in its absolute discretion, consider, necessary, expedite or desirable including power to sub delegate, in order to give effect to this resolution and to take such other steps as may be necessary in this regard."

**4. APPOINTMENT OF STATUTORY AUDITOR TO FILL THE CASUAL VACANCY**

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 Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification (s), clarifications, exemptions or re-enactments thereof for the time being in force) M/s. Doogar & Associates., Chartered Accountants, New Delhi (FRN:000561N) appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Nitin K Kumar & Co., Chartered Accountant, New Delhi (FRN:029517N).

**RESOLVED FURTHER THAT** M/s. Doogar & Associates., Chartered Accountants, New Delhi (FRN:000561N), be and is hereby appointed as Statutory Auditors of the Company to hold the office from June 26, 2020, until the conclusion of (35<sup>th</sup>) Annual General Meeting of the Company, at such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors.

**RESOLVED FURTHER THAT** the board of directors of the Company, be and is hereby authorized severally, on behalf of the Company, to file the necessary E-forms/returns with Registrar of Companies to do all acts, deeds, matter and things as deem necessary for the purpose of giving effect to the aforesaid resolution."





5. **APPOINTMENT OF STATUTORY AUDITOR 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 Section 139, 141 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) M/s. Doogar & Associates., Chartered Accountants, New Delhi (FRN:000561N), be and is hereby appointed as Statutory Auditors of the Company to hold office for a period of Five (5) consecutive years, from the conclusion of the Thirty Fifth (35<sup>th</sup>) Annual General Meeting till the conclusion of Fortieth (40<sup>th</sup>) Annual General Meeting of the Company on such remuneration as may be mutually agreed between the Company and the Auditors, plus reimbursement of goods and service tax, travelling and out of pocket expenses.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters, things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**By Order of the Board  
For Grovy India Limited**

**Sd/-  
Prakash Chand Jalan  
Director**

**DIN: 00475545  
G-6, First Floor, South Extn-2,  
New Delhi 110049**

**Place: New Delhi  
Dated: 26.06.2020**

**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 TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% (TEN PERCENT) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') in respect of special business being item no. 03 to 05 set out above to be transacted at the meeting is annexed hereto and form part of this Notice.
4. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice (kindly refer note no. 20). The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
5. The Company has appointed Mr. Narender of M/s Narender & Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting process and voting through poll at the AGM in a fair and transparent manner and he has given his consent for appointment and will be available for same purpose.
6. In terms of Section 152 of the Companies Act, 2013, Mr. Prakash Chand Jalan, Director retires by rotation at the Meeting and being eligible, offer himself for reappointment. The Board of Directors of the Company has recommended his re-appointment.
7. The Register of Members and Share Transfer Books shall remain closed from 24<sup>th</sup> July, 2020 to 30<sup>th</sup> July, 2020 (both days inclusive) for the AGM of the Company.
8. Members of the Company holding shares as on the cut-off date i.e. 26<sup>th</sup> June, 2020 will be eligible to receive the notice of 35<sup>th</sup> Annual General Meeting (AGM) of the Company.
9. Corporate members intending to send their authorized representatives to attend the AGM are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
10. Members attending the meeting are requested to bring with them the attendance slip attached to the Annual Report duly filled in and signed and handover the same at the entrance hall.
11. The copies of relevant documents can be inspected at the Registered Office of the Company on any working day during office hours.
12. Members also note that Notice of the AGM alongwith the attendance slip and proxy form will be available on the Company's website i.e. [www.grovvyindia.com](http://www.grovvyindia.com).
13. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agent of the Company, M/s. Skyline Financial Services Pvt. Ltd., D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, quoting the Registered Folio Number: (a) details of their Bank Account/change in Bank Account, if any, to enable the Company to print these details on the Dividend Warrants; and (b) change in their address, if any, with the Pin Code Number.

Members holding shares in electronic form shall address communication to their respective Depository Participants only.

14. Please send your unpaid dividend warrants/instruments for revalidation/reissue, if already not encashed. The dividend remaining unclaimed for seven years is required to be transferred to the "Investor Education and Protection fund" established by the Central Government and you shall not be able to claim any unpaid dividend from the said fund or from the Company thereafter.



15. M/s. Skyline Financial Services Pvt. Ltd., having registered and corporate office at D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, is the Registrar and Share Transfer Agent of the Company for physical shares as well as depository interface with NSDL and CDSL.
16. You may now avail the facility of nomination by nominating, in the prescribed form, a person to whom your shares in the Company shall vest in the event of death. Interested members may write to the company/registrar & share Transfer Agent for the prescribed form. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their shares.
17. The Company's e-mail id is [grovyindia@gmail.com](mailto:grovyindia@gmail.com) to enable investors to register their complaints/queries, if any.
18. Members who are holding shares in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
19. Members are requested to promptly notify to the Company any change in their addresses.
20. Information and other instructions relating to e-voting are as under:
  - A. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI Listing Obligation and Disclosure Requirement) Regulation, 2015 the Company is pleased to provide members, the facility to exercise their right to vote on resolutions proposed to be considered at 35<sup>th</sup> AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
  - B. The remote e-voting period will commence on Monday, 27<sup>th</sup> July, 2020 (09.00 AM) and end on Wednesday, 29<sup>th</sup> July, 2020 (05.00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> July, 2020, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting after 29<sup>th</sup> July, 2020 (05.00 PM). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - C. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
  - D. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again and if any member casts a vote at the meeting, such vote will be considered invalid.
  - E. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 23<sup>rd</sup> July, 2020. A person who is not a member as on the cut-off date should treat this Notice for information only.
  - F. A person whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the Depositories as on the cut-off date, i.e. Thursday, 23<sup>rd</sup> July, 2020 only shall be entitled to avail the facility of remote e-voting/ voting at the AGM.
  - G. The process and manner for remote e-voting are as under:
    1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    2. Click on Shareholders/ Members.
    3. 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.
    4. Next enter the Image Verification as displayed and Click on Login.
    5. 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.



6. If you are a first-time user, follow the steps given below:

	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 Folio number / Client ID 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 (iv).</li> </ul>

7. After entering these details appropriately, click on "SUBMIT" tab.
8. 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 the 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.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN of Grov India Limited on which you choose to vote.
11. 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.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
16. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
18. Note for Non-Individual Shareholders & 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 Corporate.





- 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 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.

Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.

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).

#### **EXPLANATORY STATEMENT IN RESEPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM NO. 3.**

Pursuant to the provision of Section 161 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 that Mr. Nawal Kishore Choudhury was appointed as an Additional Director (In the capacity of Independent Director) of the Company with effect from 02<sup>nd</sup> March, 2020. Accordingly, he shall hold the office up to the date of ensuing Annual General Meeting.

Mr. Nawal Kishore Choudhury is not disqualified from being appointed as an Independent Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director in accordance with Section 152 of the Act.

In the opinion of the Board, Mr. Nawal Kishore Choudhury, fulfils the conditions for his appointment as per Independent Director in terms of Section 149 of the Act and would be beneficial to the Company and hence it recommends the said Resolution No. 3 for approval by the members of the Company.

Your Board recommends the resolution for approval of members by way of Ordinary Resolution

None of the Directors or Key Managerial Personnel or their relative(s) except Mr. Nawal Kishore Choudhury or their relative(s) are in any way concerned or interested, in passing of the above-mentioned resolution.

##### **ITEM NO. 4 and ITEM NO. 5**

M/s. Nitin K Kumar & Co., Chartered Accountants (FRN:029517N) vide their letter dated June 26, 2020 have resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on June 26, 2020 as per the recommendation of the Audit Committee, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, have appointed M/s. Doogar & Associates., Chartered Accountants, (Firm Registration Number: 000561N), to hold office as the Statutory Auditors of the Company till the conclusion of 35<sup>th</sup> AGM and to fill the casual vacancy caused by the resignation of M/s. Nitin K Kumar & Co., Chartered Accountants, (FRN: 029517N) subject to the approval by the members in ensuring annual general meeting of the Company, at such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors.

Further, pursuant to recommendation of Audit Committee, Board also approved the appointment of M/s. Doogar & Associates, as Statutory Auditors of the Company, to hold office for a period of five consecutive years, from the conclusion of the Thirty Fifth (35<sup>th</sup>) AGM, till the conclusion of the Fortieth (40<sup>th</sup>) AGM to be held in financial year 2025-26. Accordingly, your boards of directors also recommend to approve the resolution for appointment of M/s. Doogar & Associates as a Statutory Auditor of the Company.

The Company has received consent to act as Statutory Auditor and the eligibility certificate to conduct the statutory audit from M/s. Doogar & Associates, Chartered Accountants, having (Firm Registration Number: 000561N), if appointment made, would be within the prescribed limit of the Companies Act, 2013.



Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 4 and Item No 5. of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel of the Company or their relatives, or any of other officials, of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

**By Order of the Board  
For Grovy India Limited**

**Sd/-  
Prakash Chand Jalan  
Director**

**DIN: 00475545**

**G-6, First Floor, South Extn-2,  
New Delhi 110049**

**Place: New Delhi  
Dated: 26.06.2020**



PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 WITH THE STOCK EXCHANGES AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED IS FURNISHED BELOW:

Name of Director	Date of Birth & No. of Equity Shares Held	Qualification(Relationship with other Directors)	Nature of Expertise	Name of listed Companies in which he/ she holds Directorship	Name of Committees of the Companies of which he/ she holds Membership
Prakash Chand Jalan	06.04.1958 (7,55,366 Equity Shares of Rs.10 each)	Chartered Accountant (Mrs. Anita Jalan: Spouse Mr. Nishit Jalan-Son)	Excellent Accounting and Operational skills	NIL	Member in Stakeholder relationship Committee
Nawal Kishore Choudhury	07.01.1947 NIL	Chartered Accountant (Not Related to any director)	Extensive professional experience and significant executive leadership accomplishments in the field of finance and taxation. Strong diplomatic skills and a natural affinity for cultivating relationships and persuading convening facilitating and building consensus among diverse individuals.	NIL	Member in Audit Committee and Nomination & Remuneration Committee

\* Committee positions of only Audit, Shareholders'/Investors' Grievance and Remuneration and Nomination Committee included.

**By Order of the Board  
For Grovy India Limited**

**Sd/-  
Prakash Chand Jalan  
Director**

**DIN: 00475545  
G-6, First Floor, South Extn-2,  
New Delhi 110049**

**Place: New Delhi  
Dated: 26.06.2020**



# BOARD'S REPORT

The Members,

Your Directors have pleasure in presenting 35<sup>th</sup> (Thirty Fifth) Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2020.

## 1. FINANCIAL HIGHLIGHTS

The standalone financial statements for the financial year ended March 31, 2020, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The Company's financial performance, for the year ended 31<sup>st</sup> March, 2020 and the corresponding figures for the last year are summarized below:-

Particulars	(Amount in Rupees)	
	(Standalone)	
	2019-20	2018-19
Revenue from operations	17,85,57,792	8,63,53,915
Other Income	(19,13,638)	32,544
<b>Total Income</b>	<b>17,66,44,154</b>	<b>8,63,86,459</b>
Gross Expenditure	18,95,72,097	8,52,40,903
Less Interest	3,76,766	3,060
<b>Profit before Depreciation</b>	<b>(1,33,04,709)</b>	<b>11,42,496</b>
Less Depreciation	1,29,227	1,82,713
<b>Profit after depreciation and Interest/Net Profit Before Tax</b>	<b>(1,34,33,937)</b>	<b>9,59,782</b>
Less Exceptional items	-	-
<b>Profit before extraordinary items and tax</b>	<b>(1,34,33,937)</b>	<b>9,59,782</b>
<b>Tax Expense</b>	<b>-</b>	<b>2,56,183</b>
<b>Net Profit/Loss after Tax</b>	<b>(1,34,33,937)</b>	<b>7,38,329</b>
<b>Other Comprehensive income for the year, net of tax</b>	<b>(4,21,084)</b>	<b>9,59,782</b>
<b>Total Comprehensive income/(loss) for the year</b>	<b>(1,38,55,021)</b>	<b>11,63,013</b>
<b>Earnings per Share (Basic)</b>	<b>(7.34)</b>	<b>0.53</b>
<b>Earnings per Share (Diluted)</b>	<b>(7.34)</b>	<b>0.53</b>

## REVIEW OF OPERATIONS AND FUTURE PROSPECTS

Your Company is engaged in to the Business of development of property and trading of shares and commodities. During the year under review, your Company has incurred a net loss of Rs 1,34,33,937/- (Rupees One Crore,Thirty-Four Lakhs,Thirty-Three Thousand, Nine Hundred and Thirty-Seven Only). The Company's performance from last year has been weighed down by the major upheavals faced by the real estate sector as a whole. In the present Covid-19, almost all the economic activity has been halted around the globe drastically impacting the businesses leading to heavy losses issues for the Companies with uncertainty. Your Directors are confident of improved performance by the Company in financial year 2020-21

Except, as disclosed elsewhere in the Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the Financial Year and the date of this Report.




**BUSINESS SEGMENTS:**

Your Company is engaged into the Businesses listed as under:

## a) Construction Business:

Your company, Grovy India Limited is engaged into construction activity and completed their projects and sustains credibility among its customers by providing possession on time to all of them. Details of Completed project are as follows:

<b>S-344, Greater Kailash 1 (Completed)</b>	
<p>A 208 Square Yards plot situated at one of the best locations of the posh South Delhi Residential Colonies of Greater Kailash. This construction features neo-classical architecture style based facade design, stone cladding in bathrooms, well marked services for easy servicing, mechanically ventilated basement, UPVC exterior windows, well ventilated kitchens and bathrooms, massive balconies, permanent finishing facade with minimum maintenance, ceiling height kitchen cabinets and international branded bathroom fittings</p>	

Images as inserted above are just few among many which the company completed; for rest of the details Stakeholders may visit the company's website <http://grovyindia.com>

## b) Shares Trading:

Your Company is also engaged in trading of Shares, commodities, Currencies, and other financial instruments. This segment is also very important in the view of present situation of the Indian Capital Market.

During the year under review, the Company had a revenue of Rs. 7,03,10,245/- (Rupees Seven Crore, Three Lakh, Ten Thousand and Two Hundred Forty-Five Only) from the shares trading business. Management believes that Company has the potential to compete with its peer competitors in the same business and may be emerged as big name in the coming years.

**MERGER/AMALGAMATION**

Hon'ble NCLT Principle Bench, Delhi vide its order dated 19.09.2019 has approved the scheme of arrangement under Section 230 to 232 of the Companies Act, 2013 among Ankur Buildtech Private Limited, Ganesh Contractors and Colonisers Private Limited, Ganesh Promoters Private Limited (Collectively Referred as Transferor companies) and Grovy India Limited ( Transferee Company) according to which all Transferor Companies has amalgamated with Transferee Company with effect from 01.04.2018 (The Appointed Date ).The Scheme shall be effective from or the effective date of the scheme was 16.10.2019.

The Company on 23.10.2019 has made allotment of 11,14,401 equity shares to the shareholders of Transferor Companies in terms of Scheme of arrangement of amalgamation (the scheme) among M/s. Ankur Buildtech Pvt Ltd., Ganesh Contractors and Colonisers Pvt. Ltd. and Ganesh Promoters Pvt Ltd. (Transferor Companies) with M/s. Grovy India Ltd.(Transferee Company) during the year.

**SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company stands at Rs. 5,40,00,000/- (Five Crore Forty Lakhs) divided into 54,00,000 (Fifty-Four Lakh) Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid up Capital stands at 25,14,401 (Twenty-Five Lakh Fourteen Thousand Four Hundred and One) Equity Shares of Rs.10/- each aggregating to Rs. 2,51,44,010/- (Two Crore, Fifty-One Lakhs, Forty-Four Thousand and Ten rupees only).

**RESERVES AND SURPLUS**

Reserves and Surplus of the Company for the financial year 2019-20 stands at Rs. 6.39 Crores as against the Reserve and Surplus of Rs. 2.07 Crores in the previous financial year 2018-19.

**2. STATE OF AFFAIRS OF THE COMPANY**

The Company has been expanding its operations both in terms of product base and customer base. We have been trying to capture new market for our products. The operations of the Company are growing steadily and constant raise in performance of the Company is evident from its promising financial prospects.

**Future Outlook**

As a move forward and with the help of information technology, your Company is planning to explore new market. Our outlook for our new project at Noida namely, Grovy Optiva is very positive and we expect to continue doing well in near future. Your Company is also planning for Foreign Collaboration and Overseas Direct Investment in form of JV/WOS abroad.

**Subsidiary Companies, Joint Venture and Consolidated Financial Statements**

During the period under review the Company does not have any Subsidiary Company or Joint Venture.

**3. DIVIDEND**

Having regard to the operating performance of the Company for the year 2019-20, your Directors do not recommend any dividend for the year.

**4. TRANSFER TO RESERVE**

During the financial year under review, no transfer has made to reserves of the company.

**5. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended March 31, 2020.

**6. CORPORATE GOVERNANCE REPORT**

Your Company and all the directors are highly dedicated and believes in principle of Good Corporate Governance practices which are in line and with legal requirements of Regulation 16 to 27 of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015 and Companies Act 2013. The Company has adopted the practices which are transparent and in the best interest of the stakeholders, companies and all the regulatory authorities associated with the company.

Further, as per regulation 15(2) of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015, certain Companies are exempted from mandatory compliance of the provisions of Regulation 17 to 27 of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015. In terms of the said regulation, every listed Company which has paid up equity share capital not exceeding Rs. 10 Crores and Net worth not exceeding Rs. 25 Crores, as on the last day of the previous financial year, are exempted from complying with the provisions of Corporate Governance regulations of listing agreement entered with the stock exchange.

Your Company is exempted from complying with the provisions of Corporate Governance as mentioned under SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, however your directors assure you that your company will continue to follow the good corporate governance practices.

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

Your Board currently comprises of 6 Directors including 3 Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually, confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations.



Name	Appointment Date	Cessation Date	Remarks
Prakash Chand Jalan	08.06.1990	-	Director
Nishit Jalan	19.12.2013	-	Whole-Time Director
Anita Jalan	01.09.1995	-	Director
Rajendar Prasad Rustagi	29.05.2015	-	Director (Independent)
Gagan	29.05.2015	27.02.2020	Director (Independent)
Parveen Kumar	29.05.2015	-	Director (Independent)
Nawal Kishore Choudhury	02.03.2020	-	Additional Director (Independent)
Nishit Jalan	18.06.2015	-	Chief Executive Officer
Ankur Jalan	18.06.2015	-	Chief Financial Officer
Pooja Jain	11.01.2019	-	Company Secretary

## 8. NUMBER AND DATE OF BOARD MEETINGS AND COMMITTEES CONDUCTED DURING THE YEAR UNDER REVIEW.

### a. Board Meeting

During the financial year under review, 8 (Eight) Board Meetings were held as against the minimum requirement of 4 (four) Board Meetings. The details of Board Meetings are as below:

Date	Board Strength	No. of Director present
09 <sup>th</sup> May, 2019	6	6
01 <sup>st</sup> July, 2019	6	4
08 <sup>th</sup> August, 2019	6	5
23 <sup>rd</sup> October, 2019	6	5
14 <sup>th</sup> November, 2019	6	5
08 <sup>th</sup> December, 2019	6	6
10 <sup>th</sup> February, 2020	6	6
02 <sup>nd</sup> March, 2020	6	5

### b. Audit Committee

During the financial year under review, 4 (Four) Audit Committee Meetings were held. The details of Meetings are as below:

Date	Members Strength	No. of Members present
09 <sup>th</sup> May, 2019	3	3
08 <sup>th</sup> August, 2019	3	3
14 <sup>th</sup> November, 2019	3	2
10 <sup>th</sup> February, 2020	3	3

### c. Nomination and Remuneration Committee

During the financial year under review, 1 (One) Nomination & Remuneration Committee Meeting was held. The details of Meeting are as below:

Date	Members Strength	No. of Members present
08 <sup>th</sup> August, 2019	3	3

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board hereby submits its responsibility Statement confirming as per the provisions of Section 134(5) that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;



3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the directors had 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; and
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 10. DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY.

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

#### 11. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. As in previous year, this was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously consented for an 'in-house' review built on suggestive parameters. Based on the suggestive parameters approved by the Nomination and Remuneration Committee, the following evaluations were carried out:

- ☐ Review of Board as a whole by all the Members of the Board.
- ☐ Review of all Board Committees by all the Members of the Board.
- ☐ Review of Individual Directors by rest of the Board Members except the Director being evaluated.

#### 12. AUDITORS

##### 1. Statutory Auditors

Company has received resignation letter from M/s. Nitin K Kumar & Co., Chartered Accountant, (FRN: 029517N) stating their inability to continue as the Statutory Auditors of the Company due to their preoccupation with effect from June 26, 2020. Based on the recommendation of the Audit Committee, the Board of Director at their meeting held on June 26, 2020 has appointed M/s. Doogar & Associates., Chartered Accountants, (Firm Registration Number: 000561N) as the statutory Auditors of the Company to fill the causal vacancy. The Company has received the consent from the M/s. Doogar & Associates., Chartered Accountants, (Firm Registration Number: 000561N) and confirmation to the effect that they are not disqualified to be appointed as the Statutory Auditors of the Company, in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

##### 2. Auditors Report

There are no qualifications, reservations, or adverse remarks or disclaimers made by the M/s Nitin K Kumar & Co., Statutory Auditors, in their report. Observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

##### 3. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s Narender & Associates, Company Secretaries; was appointed as the Secretarial Auditors of the Company, to carry out the Secretarial Audit for the year ended March 31, 2020. The Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 which is annexed with this Report as "Annexure A".

#### 13. FRAUD REPORTING

No such fraud was reported by the statutory auditors of the Company.

#### 14. EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 which is annexed to this report as Annexure B.



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

The details of loans, guarantees and investments made under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements.

**16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.**

All Related party transactions are entered on an arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 in "Annexure – C" and form part of this Report.

**17. DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT.**

The Company has not accepted any deposits during the year under review.

**18. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135(1) of the Companies Act, 2013, Corporate Social Responsibility is not applicable on your Company.

**19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Risk Management and Governance Department of the Company have assured the existence of various risk-based controls in the Company and tested the key controls towards assurance for the present fiscal. Further, the testing of such controls was carried out independently by the Statutory Auditors of the Company as mandated under the provisions of the Companies Act, 2013. In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

**20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company has also established a vigil mechanism and oversees it through the Audit Committee to resolve the genuine concerns expressed by the employees and other directors. The Company has also provided adequate safeguards against victimization of employees and directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

**21. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year under review, the Company has not transferred any amount in investor Education and Protection Fund.

**22. LISTING OF SECURITIES**

The Shares of the Company are listed and traded at BSE Ltd. w.e.f. 30<sup>th</sup> December 2015 with Scrip Code 539522 in the list of XT Group Securities. The Annual Listing Fee including applicable tax for the financial year 2019-20 has been paid to all Stock Exchanges.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure – D" and forms part of this Report.

**24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

Hon'ble NCLT Principle Bench, Delhi vide its order dated 19.09.2019 has approved the scheme of arrangement u/s 230 to 232 of the Companies Act, 2013 among Ankur Buildtech Private Limited, Ganesh Contractors and Colonisers Private Limited, Ganesh Promoters Private Limited ( Collectively Referred as Transferor companies) and Grovy India Limited ( Transferee Company) according to which all Transferor companies has amalgamated with Transferee company with effect from 01.04.2018 (The Appointed Date ). The effective date of the scheme was 16.10.2019.

**25. MAINTENANCE OF COST RECORDS**

The provisions of Section 148 are not applicable on the Company. Consequently, the company is not liable to maintain such cost records.

**26. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013**

No such cases filed during the financial year under review.

**27. ACKNOWLEDGEMENTS**

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges and depositories, auditors, legal advisors, consultants, business associates and all the employees with whose help, cooperation and hard work the Company is able to achieve the results. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its shareholders.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**SD/-**

**SD/-**

**Date: 26.06.2020**  
**Place: New Delhi**

**(Prakash Chand Jalan)**  
**Director**  
**DIN: 00475545**

**(Nishit Jalan)**  
**Whole-Time Director & CEO**  
**DIN: 002964239**



**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by (herein after called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on 31st, March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not Applicable]**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not Applicable]**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable]**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any stock exchange during the financial year under review;]**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not Applicable as the Company has not bought back/ proposed to buy back any of its securities during the financial year under review;]**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the stock Exchange.

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

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

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

*I further report that during the audit period the company has:*

1. Mr. NishitJalan appointed as Whole Time Director of the Company w.e.f 08<sup>th</sup> August, 2019 for the period of 3 years in compliance with the provisions of the Companies Act, 2013.
2. Mr. Murari Kumar Jha appointed as an Internal Auditor of the Company for the FY 2019-20 in compliance with the provisions of the Companies Act, 2013.
3. The Company invest the funds of the Company but in the share of other corporates but didn't file MGT-14 to the Registrar of Companies, Delhi & Haryana
4. The Company had allotted 11,14,401 Equity Shares pursuant Scheme of Arrangement for Amalgamation of AnkurBuildtech Private Limited (Transferor Company 1), Ganesh Contractors And Colonisers Private Limited (Transferor Company 2), Ganesh Promoters Private Limited (Transferor Company 3) collectively hereinafter referred as "Transferor Companies" with the Company ("the Scheme") has been approved by the Hon<sup>ble</sup> National Company Law Tribunal, Principal Bench, at New Delhi ("NCLT") vide its order dated 19th September, 2019
5. The Company avail Credit Facility From State Bank of India for Rs. 2,00,00,000/- (Rupees Two Crore only)
6. Mr. Gagan (Non-Executive Independent Director) resigned from the Directorship w.e.f. 27<sup>th</sup> February, 2020 and Mr. Nawal Kishore Choudhury as an Additional Director (Non-Executive Independent Director) w.e.f. 02<sup>nd</sup> March, 2020 to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the members in the ensuing General Meeting
7. The Company reconstitutes the Audit Committee and Nomination and Remuneration Committee.

**For Narender & Associates  
Company Secretaries**

Sd/-  
**CS Narender  
Proprietor  
ACS No. 43952  
CP No. 16690**

**Place: New Delhi  
Date: 24/06/2020  
UDIN: A043952B000387108**





To,

The Members,

**Grovy India Limited**

**122, 1st Floor, Vinobapuri Lajpat Nagar Part II, New Delhi-110024**

**CIN:-L74130DL1985PLC021532**

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

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

**For Narender & Associates  
Company Secretaries**

Sd/-  
**CS Narender  
Proprietor  
ACS No. 43952  
CP No. 16690**

**Date:24/06/2020**

**Place: New Delhi**

**UDIN: A043952B000387108**

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

as on 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 &amp; Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L74130DL1985PLC021532
ii	Registration Date	23.07.1985
iii	Name of the Company	GROVY INDIA LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Address : 122, Ground Floor, Vinoba Puri, Lajpat Nagar-II, New Delhi-110024 Telephone : 011-46740000 Email : grovyindia@gmail.com
vi	Whether listed company	Listed at BSE Ltd.
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited Address: D-153A, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: +91-11-41044923 Fax: +91-11-26812682 E-mail: viren@skylinert.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Real Estate	68	60.98
2	Share Trading	66	39.02

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

S. No.	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
The Company has no subsidiary/associate as on 31 <sup>st</sup> March, 2020.					



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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	764,446	0	764,446	54.60	18,78,847	0	18,78,847	74.72	20.12
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(1)</b>	<b>764,446</b>	<b>0</b>	<b>764,446</b>	<b>54.60</b>	<b>18,78,847</b>	<b>0</b>	<b>18,78,847</b>	<b>74.72</b>	<b>20.12</b>
(2) Foreign									
a) NRI Individual	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	66,942	0	66,942	4.78	36,287	0	36,287	1.44	-3.34
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,02,825	100	1,02,925	7.35	1,05,376	50	1,05,426	4.19	-3.16
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	413,965	0	413,965	29.57	4,17,344	0	4,17,344	16.60	-12.97
c) Others (specify)	51,722	0	51,722	3.69	76,497	0	76,497	3.04	-0.65
c-i) Non Resident Indian	0	0	0	0	0	0	0	0	0
c-ii) Employees/office bearer	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>635,454</b>	<b>100</b>	<b>635,554</b>	<b>45</b>	<b>635,504</b>	<b>50</b>	<b>635,554</b>	<b>25.27</b>	<b>-20.13</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>1,399,900</b>	<b>100</b>	<b>1,400,000</b>	<b>100</b>	<b>25,14,351</b>	<b>50</b>	<b>25,14,401</b>	<b>100</b>	<b>0</b>



(ii)

SHARE HOLDING OF PROMOTERS

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	RAJ KUMAR JALAN	2,11,500	15.11	0	0	0	0	-15.11
2	RUSHABH BIMAL JALAN	1,17,000	8.36	0	0	0	0	-8.36
3	ABHISHEK JALAN	85,446	6.10	0	85,446	3.40	0	-2.71
4	ANKUR JALAN	78,000	5.57	0	1,66,776	6.63	0	1.06
5	ANITA JALAN	62,000	4.43	0	4,28,057	17.02	0	12.60
6	PRAKASH CHAND JALAN	57,000	4.07	0	7,55,366	30.04	0	25.97
7	BIMAL KUMAR JALAN HUF	35,000	2.50	0	0	0	0	-2.50
8	SUSHILA JALAN	35,000	2.50	0	0	0	0	-2.50
9	NISHIT JALAN	33,500	2.39	0	3,38,450	13.46	0	11.07
10	R.K.JALAN (HUF) . RKJ(HUF)	24,500	1.75	0	0	0	0	-1.75
11	P.C.JALAN(HUF). PCJ(HUF)	20,500	1.46	0	1,04,752	4.17	0	2.70
12	RADHA KISHAN JALAN HUF	5,000	0.36	0	0	0	0	-0.36
13	ROHAN JALAN	0	0.00	0	0	0.00	0	0
	<b>TOTAL: -</b>	<b>7,64,446</b>	<b>54.60</b>	<b>0</b>	<b>18,78,847</b>	<b>74.72</b>	<b>0</b>	<b>20.12</b>



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

S. No.	Promoters Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Raj Kumar Jalan</b>				
	At the beginning of the year	211,500	15.11		
	Inter-se Promoter Transfer	-211,500	-15.11	0	0.00
	At the End of the year	0	0.00		
<b>2</b>	<b>Rushabh Bimal Jalan</b>				
	At the beginning of the year	117,000	8.36		
	Inter-se Promoter Transfer	-117,000	-8.36	0	0
	At the End of the year	0	0		
<b>3</b>	<b>Ankur Jalan</b>				
	At the beginning of the year	78,000	5.57		
	Shares allotted pursuant to merger on 23.10.2019	88,776	3.53	166,776	6.63
	At the End of the year	166,776	6.63		
<b>4</b>	<b>Anita Jalan</b>				
	At the beginning of the year	62,000	4.43		
	Shares allotted pursuant to merger on 23.10.2019	366,057	14.56	428,057	17.02
	At the End of the year	428,057	17.02		
<b>5</b>	<b>Prakash Chand Jalan</b>				
	At the beginning of the year	57,000	4.07		
	Shares allotted pursuant to merger on 23.10.2019	698,366	27.77	755,366	30.04
	At the End of the year	755,366	30.04		
<b>6</b>	<b>Bimal Kumar Jalan HUF</b>				
	At the beginning of the year	35,000	2.50		
	Inter-se Promoter Transfer	-35,000	-2.50	0	0.00
	At the End of the year	0	0		
<b>7</b>	<b>Sushila Jalan</b>				
	At the beginning of the year	35,000	2.50		
	Inter-se Promoter Transfer	-35,000	-2.50	0	0.00
	At the End of the year	0	0		
<b>8</b>	<b>Nishit Jalan</b>				
	At the beginning of the year	33,500	2.39		
	Shares allotted pursuant to merger on 23.10.2019	3,04,950	12.13	338,450	13.46
	At the End of the year	3,38,450	13.46		
<b>9</b>	<b>R K Jalan HUF</b>				
	At the beginning of the year				



	At the beginning of the year	24,500	1.75		
	Inter-se Promoter Transfer	-24,500	-1.75	0	0.00
	At the End of the year	0	0		
<b>10</b>	<b>P C Jalan HUF</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	20,500	1.46		
	Shares allotted pursuant to merger on 23.10.2019	84,252	3.35	104,752	4.17
	At the End of the year	104,752	4.17		
<b>11</b>	<b>Radha Kishan Jalan HUF</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5,000	0.36		
	Inter-se Promoter Transfer	-5,000	-0.36	0	0.00
	At the End of the year	0	0		

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

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	Vinod Agarwal	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	200,000	14.29		
	No Changes	0	-	200,000	7.95
	At the End of the year	200,000	7.95		
2	Ashish Sharma	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	67,500	4.82		
	No Changes	0	-	67,500	2.68
	At the End of the year	67,500	2.68		
3	Deepti Jain	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	46,944	3.35		
	No Changes	0	-	46,944	1.87
	At the End of the year	46,944	1.87		
4	Pankaj Jain & Sons HUF	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	44,300	3.16		
	No Changes	0	-	44,300	1.76
	At the End of the year	44,300	1.76		
5	Priyanka Jain	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	32,000	2.29		
	No Changes	0	-	32,000	1.27
	At the End of the year	32,000	1.27		
6	Pankaj Jain	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	45,700	3.26		
	No Changes	0	-	45,700	1.82
	At the End of the year	45,700	1.82		
7	Anshul Aggarwal & Co. HUF	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31,082	1.24		
	Sale/Purchase during the year	31,082	1.24	31,082	1.24
	At the End of the year	31,082	1.24		





8	Divinus Promoters Pvt Ltd	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	19,500	1.39		
	No Changes	0	-	19,500	0.78
	At the End of the year	19,500	0.78		
9	Joginder Singh Rana	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	-		
	Sale/Purchase during the year	25,200	1.00	25,200	1.00
	At the End of the year	25,200	1.00		
10	Manvi Gupta	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0		
	Sale/Purchase during the year	16,100	0.64	16,100	0.64
	At the End of the year	16,100	0.64		

**(V) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Name of the Directors & KMP's	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	Prakash Chand Jalan	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	57,000	4.07		
	Shares allotted pursuant to merger on 23.10.2019	698,366	27.77	755,366	30.04
	At the End of the year	755,366	30.04		
2	Nishit Jalan	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	33,500	2.39		
	Shares allotted pursuant to merger on 23.10.2019	304,950	12.13	338,450	13.46
		338,450	13.46		
3	Anita Jalan	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	62,000	4.43		
	Shares allotted pursuant to merger on 23.10.2019	366,057	14.56	428,057	17.02
	At the End of the year	428,057	17.02		
4	Ankur Jalan	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	78,000	5.57		
	Shares allotted pursuant to merger on 23.10.2019	88,776	3.53	166,776	6.63
	At the End of the year	166,776	6.63		



VI

**INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	11,68,88,000	0	11,68,88,000
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	1,26,00,350	0	1,26,00,350
* Reduction	0	4,67,86,500	0	4,67,86,500
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	8,27,01,850	0	8,27,01,850
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>		<b>8,27,01,850</b>		<b>8,27,01,850</b>

**XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. no.	Particulars of Remuneration	Name of MD/WTD/ Manager
		<b>Nishit Jalan (Whole-Time Director &amp; CEO)</b>
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>4,20,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<b>0</b>
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<b>0</b>
2	Stock Option	<b>0</b>
3	Sweat Equity	<b>0</b>
4	Commission	<b>0</b>
	- as % of profit	<b>0</b>
	others, specify...	<b>0</b>
5	Others, please specify	<b>0</b>
	<b>Total</b>	<b>4,20,000</b>

B. Remuneration to other directors: NIL



## REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

C.

S. no.	Particulars of Remuneration	Key Managerial Personnel
		<b>Ankur Jalan (CFO)</b>
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>3,00,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<b>0</b>
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<b>0</b>
2	Stock Option	<b>0</b>
3	Sweat Equity	<b>0</b>
4	Commission	<b>0</b>
	- as % of profit	<b>0</b>
	others, specify...	<b>0</b>
5	Others, please specify	<b>0</b>
	<b>Total</b>	<b>3,00,000</b>

## XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**“Annexure-C”**

**Form No. AOC-2**  
**(Pursuant of clause (h) of sub-section (3) of section 134 of the Act and**  
**Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at Arm's length basis: **None**

During the reporting period, all transactions were at Arm's Length basis.

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/ arrangements/ transactions	Not Applicable
(c)	Duration of the contracts / arrangements/transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
(f)	Date(s) of approval by the Board, if any:	Not Applicable
(g)	Amount paid as advances, if any:	Not Applicable
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable

2. Details of material contracts or arrangements or transactions at Arm's Length basis.

Sr. no.	Particulars	Details	Details	Details
(a)	Name(s) of the related party and nature of relationship	-	-	-
(b)	Nature of contracts/ arrangements/ transactions	-	-	-
(c)	Duration of the contracts / arrangements/transactions	-	-	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-	-	-
(e)	Date(s) of approval by the Board, if any:	-	-	-
(f)	Amount paid as advances, if any:	-	-	-

\*Details of related party transactions are forming part of notes to financial statements, refer note no. 2.19.

**ANNEXURE 'D' TO BOARD'S REPORT****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

(Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

**A. CONSERVATION OF ENERGY**

- i. The steps taken or impact on conservation of energy: **NIL**
- ii. The steps taken by the Company for utilizing alternate sources of energy: **NIL**
- iii. The capital investment on energy conservation equipment: **NIL**

**B. TECHNOLOGY ABSORPTION**

- i. Efforts made in technology absorption& Benefits derived: **NIL**
- ii. Benefits derived like product improvement, cost reduction, product development or import substitution: **NIL**
- iii. In case of Imported Technology (imported during last 3 years reckoned from beginning of the financial year): **NIL**
- iv. The expenditure incurred on Research and Development: **NIL**

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, details of foreign exchange earnings and outgo are as follows:

Earnings :NIL

Outgo :NIL

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
GROVY INDIA LIMITED

***Report on the audit of the Financial Statements*****Opinion**

I have audited the accompanying Ind AS financial statements of Grovy India Limited which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss Including the statement of other Comprehensive Income, the cash flow statement and the statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards under section 133 of the Companies Act, 2013 read with the companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Loss for the year ended on that date.

**Basis for opinion**

I have conducted audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of my report. I am 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 my audit of the financial statements under the provisions of the Act and the rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the code of ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and my auditor's report thereon.

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

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

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

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.



**Auditor's Responsibilities for the audit of the financial statements**

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

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

- 1) 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.
- 2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Clause (i) of section 143(3) of the Companies Act, 2013, requiring reporting on the adequacy of the Internal Financial Controls with reference to financial statements in place and the operating effectiveness of such control, is not applicable to the company.
- 3) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 4) 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.

I 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.

I 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.

**Report on Other Legal and Regulatory Requirements:-**

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable to the Company during the year under review.

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

- (a) I have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In my opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with the companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from



- getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position;
  - b. The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses.

**For Nitin K Kumar & Co.**  
**Chartered Accountants**  
**(Firm Registration No.029517N)**

**Sd/-**

**Signature**  
**ACA Nitin Kumar**  
**Prop.**  
**(Membership No. 512144)**  
**Place: New Delhi**  
**Date: 25.06.2020**



**GROVY INDIA LIMITED**  
**Annexure A to the Auditors' Report**  
(Referred to in paragraph of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

- (i) a) The Company has maintained proper records showing full particulars including Quantitative Details and the situation of the fixed assets.  
b) The company has a regular programme of physical verification of fixed assets by which fixed assets are verified in a physical manner over a period of three years. In accordance with this programme certain fixed assets were verified during the year.  
c) No material discrepancies were noticed on such verification.
- (ii) a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the procedures of such verification followed by the management are both reasonable and adequate in relation to the size of the Company and nature of the business.  
b) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of the said inventory.
- (iii) During the year, the Company has not granted any loans, secured or unsecured to the parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) The maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 are not applicable on the company.
- (vii) According to information and explanations to us, in respect of statutory dues
  - a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, GST, Service Tax, Value Added Tax, Excise Duty, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b) There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Excise Duty, Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to information and explanation given to us, during the year, Company has not defaulted in repayment of secured loans taken from Financial Institutions/Banks. The company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations given to us and based on the examination of records of the company, the Company has not made any preferential allotment or private placement of shares during the year under review.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

**For Nitin K Kumar & Co.**  
**Chartered Accountants**  
**(Firm Registration No. 029517N)**

**Sd/-**  
**Signature**  
**ACA Nitin Kumar**  
**Prop.**  
**(Membership No. 512144)**  
**Place: New Delhi**  
**Date: 25.06.2020**  
**UDIN: 20512144AAAAAT5710**



**GROVY INDIA LIMITED**  
**Balance Sheet As on 31.03.2020**  
**CIN NO :-L74130DL1985PLC021532**

	Particulars	Note No	As at March 31, 2020	As at March 31, 2019
			Audited	Restated
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property, plant and equipment	2.7	3,05,118	10,40,783
	Other intangible assets		-	-
	<b>Financial assets</b>			
	Investments	2.8	15,67,332	14,90,681
	Deferred tax assets (net)		-	-
	<b>Sub-total - Non-Current Assets</b>		<b>18,72,450</b>	<b>25,31,464</b>
<b>2</b>	<b>Current assets</b>			
	Inventories	2.10	16,24,30,255	144,051,958
	<b>Financial assets</b>			
	Investments	2.9	11,82,140	10,98,119
	Trade receivables	2.11	3,00,000	-
	Cash and cash equivalents	2.12	406,237	18,66,826
	Other current assets	2.13	25,827,374	2,42,95,393
	<b>Sub-total - Current Assets</b>		<b>19,01,46,007</b>	<b>17,13,12,296</b>
	<b>TOTAL - ASSETS</b>		<b>19,20,18,457</b>	<b>17,38,43,760</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	Equity Share capital	2.1	2,51,44,010	2,51,44,010
	Other equity	2.2	6,38,93,153	7,77,48,174
	<b>Sub-total - Shareholders' funds</b>		<b>8,90,37,163</b>	<b>10,28,92,184</b>
<b>2</b>	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
	Financial liabilities		-	-
	Provisions		-	-
	Deferred tax liabilities (net)		-	-
	<b>Sub-total - Non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>3</b>	<b>Current liabilities</b>			
	<b>Financial liabilities</b>			
	Borrowing	2.3	8,27,01,850	6,96,93,000
	Trade payables			
	- Due to micro enterprises and small enterprises		-	-
	- Due to creditors other than micro enterprises and small enterprises	2.4	1,416,209	16,390
	Other financial liabilities		-	-
	Other current liabilities	2.5	18,863,235	806,563
	Provisions	2.6	-	4,35,623
	<b>Sub-total - Current liabilities</b>		<b>102,981,293</b>	<b>70,951,576</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>192,018,457</b>	<b>173,843,760</b>

See accompanying notes to the financial statements

As per our report of even date attached

For Nitin K Kumar & Co.

Chartered Accountants

FRN 029517N

Sd/-

ACA Nitin Kumar

PROP.

M No. 512144

(UDIN:20512144AAAAAT5710)

Date:- 25.06.2020

Place:- New Delhi

For and on behalf of the Board of Directors

For Grovy India Limited

Sd/-

(Nishit Jalan)

Whole-Time Director & CEO

DIN No :02964239

Sd/-

(Ankur Jalan)

Chief Financial Officer

Sd/-

(Prakash Chand Jalan)

Director

DIN No :00475545

Sd/-

(Pooja Jain)

Company Secretary



**GROVY INDIA LIMITED**  
**Statement of Profit and Loss for Year ended on March 31, 2020**  
**CIN NO :- L74130DL1985PLC021532**

Particulars	Note No.	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019 (Restated)
<b>CONTINUING OPERATION</b>			
Revenue from Operations	2.14	178,557,792	87,679,468
Other Income (net)	2.15	(1,913,638)	51,714
<b>Total Revenue</b>		<b>176,644,154</b>	<b>87,731,182</b>
<b>Expenses:-</b>			
(a) Cost of Goods Sold	2.16	87,090,198	28,432,758
(b) Purchase of Commodities/Mutual fund		94,309,498	53,300,000
(c) Employee Benefits Expense	2.17	4,330,264	2,110,702
(d) Finance Cost	2.18	376,766	6,164
(e) Depreciation	2.7	129,227	182,713
(f) Other Expenses	2.19	3,842,137	2,696,982
<b>Total Expenses</b>		<b>190,078,090</b>	<b>86,729,320</b>
<b>Profit / (Loss) before tax</b>		<b>(13,433,937)</b>	<b>1,001,862</b>
<b>Tax Expense</b>			
(1) Current Tax		-	2,67,122
(2) Deferred Tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>2,67,122</b>
<b>Profit/(Loss) for the year</b>		<b>(13,433,937)</b>	<b>734,740</b>
<b>Other Comprehensive Income</b>			
(i) Equity instruments through other comprehensive income		(421,084)	203,231
(ii) Income tax (expense)/credit relating to above items		-	-
<b>Total Other Comprehensive Profit/(Loss)</b>		<b>(421,084)</b>	<b>203,231</b>
<b>Total Comprehensive Income for the year</b>		<b>(13,855,021)</b>	<b>937,971</b>
Earning Per Equity Share(Nominal Value Per Share Rs 10)			
(a) Basic		-7.34	0.67
(b) Diluted		-7.34	0.67

See accompanying notes to the financial statements

As per our report of even date

attached

For Nitin K Kumar & Co.

Chartered Accountants

(UDIN:20512144AAAAAT5710)

For and on behalf of the Board of Directors

For Grovy India Limited

Sd/-

Sd/-

Sd/-

(Nishit Jalan)

(Prakash Chand Jalan)

Proprietor

Whole-Time Director& CEO

Director

ACA Nitin Kumar

DIN No :02964239

DIN No :00475545

Membership No. 512144

FRN NO :-029517N

Sd/-

Sd/-

Date:- 25.06.2020

(Ankur Jalan)

(Pooja Jain)

Place:- New Delhi

Chief Financial Officer

Company Secretary





**GROVY INDIA LIMITED**  
**CIN NO :-L74130DL1985PLC021532**  
**Cash flow Statement for the Year Ended on 31.03.2020**

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	-	
Net profit before tax, extraordinary items & Interest	(13,433,937)	1,001,862
<b>Adjustment for</b>	-	
Depreciation	1,29,227	182,713
Profit on Sale of Building	(9,252,000)	-
Rent received	(60,000)	-
Misc Receipt (Dividend)	(44,238)	(83,602)
Interest income	(93,356)	(122,470)
Interest on loan	111,500	-
Other Income Received	-	-
<b>Operating Profit before Working capital changes</b>	<b>(22,642,804)</b>	<b>978,503</b>
<b>ADJUSTMENT FOR INCREASE/DECREASE IN</b>	-	
1.Trade & Other Receivables	(3,00,000)	-
2. Inventories	(18,378,297)	(92,150,735)
3. Trade Payable	1,399,819	16,390
4. Loans & advances	(1,531,982)	15,611,538
5. Other Liabilities	18,056,671	(97,307)
6. Current Investments	(84,021)	22,110,957
7. Short term borrowings	13,008,850	16,168,000
<b>Cash generated from operation</b>	<b>(10,471,762)</b>	<b>(37,362,653)</b>
Direct Taxes Paid		
Income Tax	(267,122)	(483,384)
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>(10,738,884)</b>	<b>(37,846,037)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1. Purchase of fixed Assets	(41,562)	(28,999)
2. (Purchase)/Sale of non-current investments	(497,735)	-
3. Sale of Investments	-	29,661,561
4. Sale of fixed assets	9,900,000	-
5. Other Income (rent)	60,000	-
6. Misc received (dividend)	44,238	83,602
7. Interest received	93,356	122,470
<b>Net cash inflow/(outflow) from Investing Activities (B)</b>	<b>9,558,297</b>	<b>29,838,634</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	
Proceeds from issue of share capital	-	-
Interest paid	(111,500)	-
Proceeds from borrowings	-	-
Dividend paid including tax	(168,501)	(168,497)
<b>Net cash inflow/(outflow) from Financing activities( C )</b>	<b>(280,001)</b>	<b>(168,497)</b>
<b>Net Cash used in Operating, Investing &amp; Financing Activities(A+B+C)</b>	<b>(1,460,588)</b>	<b>(8,175,901)</b>
Opening Cash & Cash equivalents	1,866,826	10,042,730
Closing Cash & Cash equivalents	<b>406,238</b>	<b>1,866,826</b>

See accompanying notes to the financial statements

For Nitin K Kumar & Co.

Chartered Accountants

(UDIN:20512144AAAAAT5710)

Sd/-

Proprietor

ACA Nitin Kumar

Membership No. 512144

FRN NO :-029517N

Date:- 25.06.2020

Place:- New Delhi

For Grovy India Limited

Sd/-

Sd/-

(Nishit Jalan)

Whole-Time Director& CEO

DIN No :02964239

Sd/-

(Ankur Jalan)

Chief Financial Officer

(Prakash Chand Jalan)

Director

DIN No :00475545

Sd/-

(Pooja Jain)

Company Secretary



## Grovy India Limited

## Statement of changes in equity for the year ended March 31, 2020

CIN- L74899DL1985PLC019749

## A. Equity Share Capital

Balance as at April 1, 2018	Movement during the year 2018-19	Balance as at March 31, 2019	Movement during the year 2019-20	Balance as at March 31, 2020
14000000	0	14000000	11,144,010	25144010

## B. Other Equity

(Amount in Rs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Capital reserve	General reserve	Securities premium	Retained earnings	Equity instruments through OCI	
Balance as at 1st April, 2018	-	12,040,000	2,400,000	5,204,096	289,850	19,933,946
Profit for the year	-	-	-	734,740	-	734,740
Other comprehensive income for the year (net of tax)	-	-	-	-	203,231	203,231
Effect of common control Business combination(Refer note 2.20)	27,855,990	-	21,055,660	8,133,108	-	57,044,758
Proposed dividend including tax	-	(168,501)	-	-	-	(168,501)
Balance as at March 31, 2019	27,855,990	11,871,499	23,455,660	14,071,944	493,081	77,748,174
Loss for the year	-	-	-	(13,433,937)	-	(13,433,937)
Other comprehensive income for the year (net of tax)	-	-	-	-	(421,084)	(421,084)
Balance as at March 31, 2020	27,855,990	11,871,499	23,455,660	638,007	71,997	63,893,153

See accompanying notes to the financial statements

For Nitin K Kumar & Co.  
Chartered Accountants  
(UDIN:20512144AAAAAT5710)

Sd/-  
Proprietor  
ACA Nitin Kumar  
Membership No. 512144  
FRN NO :-029517N  
Date:- 25.06.2020  
Place:- New Delhi

For Grovy India Limited

Sd/-  
(Nishit Jalan)  
Whole-Time Director& CEO  
DIN No :02964239

Sd/-  
(Ankur Jalan)  
Chief Financial Officer

Sd/-  
(Prakash Chand Jalan)  
Director  
DIN No :00475545

Sd/-  
(Pooja Jain)  
Company Secretary



**GROVY INDIA LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

The Previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period presentation.

**Note 2.1:- Equity Share Capital**

Particulars	As at 31st March,2020	As at 31st March,2019
<b>Authorised Share Capital</b>		
5,40,00,000(54,00,000)Equity Shares of Rs.10/-each with voting rights	5,40,00,000	15,000,000
<b>Issued, Subscribed &amp; Paid Up Share Capital</b>		
2,51,44,010(25,144,01)Equity Shares of Rs.10/-each with voting rights	25,144,010	14,000,000
<b>Share Capital suspense account</b>		
1114401 nos. Equity share of 10 each fully issued in terms of scheme of amalgamation	-	11,144,010
<b>Total</b>	<b>25,144,010</b>	<b>25,144,010</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs 10/-. Each holder of equity shares is entitled to one vote per share.

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

In terms of the Scheme of Amalgamation of Ankur Buildtech Private Limited(ABPL), Ganesh Contactors And Colonisers Private Limited(GCCPL), Ganesh Promoters Private Limited(GPPL) with Grovy India Limited(GPL), 344 equity shares of the Company of face value of `10 each (aggregating 34400 equity shares of `10 each) have been allotted to the equity shareholders of erstwhile ABPL for every 100 equity shares of face value of `10 each held by them in ABPL and, 27 equity share of the Company of face value of `10 each (aggregating 540001 equity shares of `10 each) have been allotted to the equity shareholders of erstwhile GCCPL for every 100 equity share of face of `10 each held by them in GCCPL and further 30 equity share of the Company of face value of `10 each (aggregating 540000 equity shares of `10 each) have been allotted to the equity shareholders of erstwhile GPPL for every 100 equity share of face of `10 each held by them in GPPL. The equity shares issued have been considered as a part of "Equity" and considered for the purpose of calculation of earnings per share.

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :**

Particulars	As at 31st March,2020	As at 31st March,2019
Shares at the beginning of the year	14,00,000	14,00,000
Add: shares issued during the year	11,14,401	-
<b>Shares outstanding at the end of the year</b>	<b>25,14,401</b>	<b>14,00,000</b>

The Details of shareholder holding more than 5% are given as follows together with its holding in no. of shares:-

Particulars	31 <sup>st</sup> March,2020		31 <sup>st</sup> March, 2019	
	No. of Shares held	% holding in Shares	No. of Shares held	% holding in Shares
Abhishek Jalan	85,446	3.40	85,446	6.10
Ankur Jalan	166,776	6.63	78,000	5.57
Anita Jalan	428,057	17.02	-	-
Prakash Chand Jalan	755,366	30.04	-	-
Nishit Jalan	338,450	13.46	-	-
Raj Kumar Jalan	-	-	211,500	15.11
Rushabh Bimal Jalan	-	-	117,000	8.36
Vinod Aggarwal	2,00,000	7.95	200,000	14.29



## Note 2.2 :- Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Capital reserve	General reserve	Securities premium	Retained earnings	Equity instruments through OCI	
Balance as at 1st April, 2018	-	12,040,000	2,400,000	5,204,096	289,850	19,933,946
Profit for the year	-	-	-	734,740	-	734,740
Other comprehensive income for the year (net of tax)	-	-	-	-	203,231	203,231
Effect of common control Business combination(Refer note 2.20)	27,855,990	-	21,055,660	8,133,108	-	57,044,758
Proposed dividend including tax	-	(168,501)	-	-	-	(168,501)
Balance as at March 31, 2019	27,855,990	11,871,499	23,455,660	14,071,944	493,081	77,748,174
Loss for the year	-	-	-	(13,433,937)	-	(13,433,937)
Other comprehensive income for the year (net of tax)	-	-	-	-	(421,084)	(421,084)
Balance as at March 31, 2020	27,855,990	12,040,000	23,455,660	638,007	71,997	63,893,153

## Note 2.3 Short Term Borrowings

Particulars	As at 31st March,2020	As at 31st March,2019
Unsecured		
loan from directors and their relatives	70,101,500	69,693,000
Intercompany Loan	12,600,350	-
<b>Total</b>	<b>82,701,850</b>	<b>69,693,000</b>

## Note 2.4 Trade Payables

Particulars	As at 31st March,2020	As at 31st March,2019
Due to micro, small and medium enterprises *	-	-
Due to others	1,416,209	16,390
<b>Total</b>	<b>1,416,209</b>	<b>16,390</b>

\*As confirmed by the management, there is no any creditor which falls under the category of MSMED, Act 2006, and Hence the separate reporting of MSME creditors is not applicable. All the creditors are from non MSME sector.

## Note 2.5 Other Current Liabilities

Particulars	As at 31st March,2020	As at 31st March,2019
Shri Ganeshji Maharaj	585	573
Auditors Remuneration Payable	30,000	61,550
Salary Payable	-	44,440
Others	700,000	700,000
Advance From customer	18,120,000	
TDS Payable	11,159	-
Telephone Expense payable	1,491	-
<b>Total</b>	<b>18,863,235</b>	<b>806,563</b>

**Note 2.6 Short Term Provisions**

Particulars	As at 31st March,2020	As at 31st March,2019
Provision for Income Tax	-	267,122
Provision for Dividend Distribution tax	-	140,000
Proposed Dividend	-	28,501
<b>Total</b>	<b>-</b>	<b>435,623</b>

**Note 2.8 Non-Current Investments**

Particulars	As at 31st March,2020	As at 31st March,2019
Investment in Equity Instruments at Market Value		
P & G (120 Shares)	1,232,322	1,300,026
Uniphos Enterprises(1700 Shares)	66,300	190,655
IDBI(13050 shares)	251,865	-
Tata Coffee(300 shares)	16,845	
<b>Total</b>	<b>1,567,332</b>	<b>1,490,681</b>

**Note 2.9 Current Investments**

Particulars	As at 31st March,2020	As at 31st March,2019
FDR with Banks Including Interest Accrued	1,052,140	968,119
Plot at haridwar	130,000	130,000
<b>Total</b>	<b>1,182,140</b>	<b>1,098,119</b>

**Note 2.10 Stock In Trade**

Particulars	As at 31st March,2020	As at 31st March,2019
Stock in shares		50,086
Stock In hand Including Properties	162,430,255	144,001,873
<b>Total</b>	<b>162,430,255</b>	<b>144,051,958</b>

**Note 2.11 Trade receivables**

Particulars	As at 31st March,2020	As at 31st March,2019
Debtors	300,000	-
<b>Total</b>	<b>300,000</b>	<b>-</b>

**Note 2.12 Cash & Cash Equivalents**

Particulars	As at 31st March,2020	As at 31st March,2019
(a) Cash in hand	227,144	373,127
(b) Balances with banks		
- In Current Accounts	179,093	1,493,700
<b>Total</b>	<b>406,237</b>	<b>1,866,826</b>



DEPRECIATION CHART AS PER COMPANIES ACT 2013 AS ON 31.03.2020										
DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Original Cost as on 01.04.2019	Additions during the year	Deletions During the Year	Total 31.03.2020	Upto 01.04.2019	For the Year	Depreciation till date	Total as on 31.03.2019	W.D.V. as on 31.03.2020	W.D.V. as on 31.03.2019
OFFICE BUILDING	648,000	-	648,000	-	-	-	-	-	-	648,000
CAR	1,058,414	-	-	1,058,414	903,635	52,957	-	956,592	101,822	154,779
CAR BALENO	658,148	-	-	658,148	444,138	66,845	-	510,983	147,165	214,010
MOTOR CYCLE(Bajaj)	28,999	-	-	28,999	5,005	6,212	-	11,217	17,782	23,994
MOTOR CYCLE(Hero)	-	41,562	-	41,562	-	3,213	-	3,213	38,349	-
<b>CURRENT YEAR</b>	<b>2,393,561</b>	<b>41,562</b>	<b>648,000</b>	<b>1,787,123</b>	<b>1,352,778</b>	<b>129,227</b>	<b>-</b>	<b>1,482,005</b>	<b>305,118</b>	<b>1,040,783</b>



**Grovy India Limited**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 2.13 Short term loan & advances**

Particulars	As at 31st March,2020	As at 31st March,2019
(a) Balances with government authorities		
Unsecured, considered good		
Tax Deducted at Source and advance tax	1,038,336	248,497
- Refund Due A.Y 2009-10	5,226	5,226
- Refund Due A.Y 2018-19	-	226,626
- Refund Due A.Y 2016-17	75,580	75,580
- Income Tax Refundable A.Y 11-12	10,000	10,000
- GST Refundable.	75,876	1,658,932
(b) Others		
Unsecured, considered good		
-Advance to supplier	19,400,000	19,000,000
-Advance against Property	258,500	258,500
-Advance salary	76,450	-
- Other Advances	4,887,407	2,812,032
<b>Total</b>	<b>25,827,374</b>	<b>24,295,393</b>

In the opinion of the Board of Directors, the realizable value of Short Term Loans & Advances in the ordinary course of business is at least equal to the amount stated in the Balance Sheet.

In the opinion of Board of Directors, the amount equal 19000000 was given to supplier by the Merged companies but Contract was cancelled so this amount is receivable.

Advance against Property includes a sum of Rs 2,58,500/- (Previous year Rs 2,58,500/-) for which the company have been undergoing legal proceedings.

**Note 2.14:- Revenue from Operations**

Particulars	As at 31st March,2020	As at 31st March, 2019
Sales and Service Income	79,500,000	32,763,304
Sales of Mutual Funds	69,672,826	54,916,164
Sale of Commodities	29,384,966	-
<b>Total</b>	<b>178,557,792</b>	<b>87,679,468</b>

**Note 2.15:- Other Income**

Particulars	As at 31st March,2020	As at 31st March, 2019
Income from Trading in Currencies/Shares	(11,379,096)	(154,358)
Other Income	9,372,102	83,602
Interest Income	93,356	122,470
<b>Total</b>	<b>(1,913,638)</b>	<b>51,714</b>

**Note 2.16:- Cost of Goods Sold**

Particulars	As at 31st March,2020	As at 31st March, 2019
Opening Stock	144,001,873	48,339,350
Add: Purchase/ Construction During the year	105,518,580	124,095,280
Less: Closing Stock including Property under Construction	162,430,255	144,001,873
<b>Total</b>	<b>87,090,198</b>	<b>28,432,758</b>



**GROVY INDIA LIMITED**Notes to the financial statements for the year ended 31<sup>st</sup> March 2020**Note 2.17:- Employee Benefits Expense**

Particulars	As at 31st March,2020	As at 31st March, 2019
Salaries	4,065,836	1,840,724
Staff Welfare	264,428	269,978
<b>Total</b>	<b>4,330,264</b>	<b>2,110,702</b>

**Note 2.18:- Finance Cost**

Particulars	As at 31st March,2020	As at 31st March, 2019
Bank Charges	265,266	6,164
Interest Paid	111,500	
<b>Total</b>	<b>376,766</b>	<b>6,164</b>

**Note 2.19:- Other Expenses**

Particulars	As at 31st March,2020	As at 31st March, 2019
Audit fee	30,000	61,550
General Expenses	27,748	82,074
Printing & Stationery	10,674	29,525
Postage & Telegrams	8,732	11,273
Depository Charges	73,957	31,100
Vehicles Expenses	244,304	280,412
Business Promotion	-	2,644
Merger/Listing Fees(BSE)	300,000	450,000
Advertisement	388,006	276,724
RTA Charges/transfer Agent Fees	26,190	47,747
Legal & Professional Fees	1,759,597	959,824
Property Tax	4,802	4,802
Telephone Expenses	19,175	27,369
Membership & Subscription and others	20,000	27,406
Conveyance/Traveling Expenses	375,066	372,852
CTT and STT paid on Transactions	553,886	31,682
<b>Total</b>	<b>3,842,137</b>	<b>2,696,984</b>

**Note 2.20:- Scheme of Amalgamation**

The National Company Law Tribunal vide its order dated september,19 2019 approved the Scheme of Amalgamation ('the Scheme') amongst the Company, Ankur Buildtech Private Limited(ABPL), Ganesh Contactors And Colonisers Private Limited(GCCPL), Ganesh Promoters Private Limited(GPPL) and to make the Scheme effective, the Company was required to file the same with Registrar of Companies (ROC). Accordingly, the Company filed the Scheme on September 10, 2019 with the ROC. The financial results of the Company for the years ended March 31, 2020 and March 31, 2019 also includes the results of erstwhile entities, i.e.ABPL,GCCPL&GPPL.

In accordance with the accounting treatment as prescribed by the aforementioned order, the Company accounted for the business combination as per requirement of Appendix C of Ind AS103 Business Combination which lays down the principles in respect of accounting for business combination of entities or businesses under common control. As required by the standard, pooling of interest method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Company at their respective carrying amounts. The surplus of the value of the net assets acquired over the face value of the equity shares issued by the Company pursuant to the amalgamation has been transferred to 'capital reserve account' in the financial statements of the Company.

In accordance with the requirement of Appendix C of Ind AS 103 Business Combination, the financial information in the financial statements in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e., April 1, 2018 and consequently, the amounts for the preceding periods include the results of the aforementioned business acquired. Details of the summarized values of assets and liabilities of Ankur Buildtech Private Limited (ABPL), Ganesh Contactors And Colonisers Private Limited(GCCPL), Ganesh Promoters Private Limited(GPPL) as acquired and the treatment of the difference between the net assets acquired over face value of equity shares issued is as under:



As at April 01, 2018

Particulars	Ankur Buildtech Private Limited(ABPL)	Ganesh Contactors And Colonisers Private Limited(GCCPL)	Ganesh Promoters Private Limited(GPPL)	Total
Non current investment	2,000,000.00	27,661,561.11	-	29,661,561.11
Inventories	-	-	3,561,873.00	3,561,873.00
Current Investment	-	-	22,187,470.90	22,187,470.90
cash & cash Equivalent	77,922.22	3,050,374.75	6,025,432.75	9,153,729.72
Loan & advances		-	-	-
other current asset	2,742.00	2,306,198.97	1,368,788.04	3,677,729.01
<b>Total Asset</b>	<b>2,080,664.22</b>	<b>33,018,134.83</b>	<b>33,143,564.69</b>	<b>68,242,363.74</b>
other long term liabilities	90.25	132.25	143.25	365.75
short term provision	15,500.00	17,390.00	20,340.00	53,230.00
Securities premium	-	9,925,080.00	11,130,580.00	21,055,660.00
Retained Earning	1,065,073.97	3,075,532.58	3,992,501.44	8,133,107.99
<b>Total liabilities</b>	<b>1,080,664.22</b>	<b>13,018,134.83</b>	<b>15,143,564.69</b>	<b>29,242,363.74</b>
<b>Net asset</b>	<b>1,000,000.00</b>	<b>20,000,000.00</b>	<b>18,000,000.00</b>	<b>39,000,000.00</b>
Consideration by way of equity share (Refer note 2.1)	344,000.00	5,400,010.00	5,400,000.00	11,144,010.00
<b>Capital reserve</b>	<b>656,000.00</b>	<b>14,599,990.00</b>	<b>12,600,000.00</b>	<b>27,855,990.00</b>

**GROVY INDIA LIMITED****Notes to the financial statements for the year ended 31<sup>st</sup> March 2020****1. Corporate information**

Grovvy India Ltd. ('The Company') is a Public Limited Company incorporated in India. The address of its Corporate office and principal place of business is at 122,1st Floor, Vinobapuri, Lajpat Nagar-II, New Delhi - 110024, India. The main business of the Company is Real Estate and financial market. The Company is listed on BSE Limited.

**2. Significant accounting policies**

The significant accounting policies applied by The Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

**2.1 Basis of preparation****a) Statement of compliance with Ind AS:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

**b) Basis of measurement:**

These financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**Fair value measurement:**

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

**Where required/appropriate, external valuers are involved**

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy established by Ind AS 113, that categories into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

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

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

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

**c) Current non-current classification:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

**d) Functional and presentation currency :**

Items included in the financial statements of The Company are measured using the currency of the primary economic environment in which The Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of The Company.

**e) Rounding of amounts:**

All amounts disclosed in the financial statements and notes are in Indian Rupees rounded off to zero decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

**2.2 Use of estimates**

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgments, 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 on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an "ongoing basis". Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

**2.3 Revenue recognition****Sale of goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which is mainly upon delivery and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, value added tax, etc.

**Revenue (other than sale)**

Revenue (other than sale) is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Claim on insurance company** and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on "acceptance basis".

*Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that The Company will comply with the conditions attached to them and the export benefits will be received.*

**Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

**Dividend**

Dividend income is recognized when The Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

**2.4 Property, plant and equipment (PPE)**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to The Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

**Cost of an item of property, plant and equipment comprises –**

- i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalized in accordance with The Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

**Depreciation:**

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of The Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment ( considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of assets	Useful life in years
Leasehold Land	Over Lease Period i.e. 198 years
Buildings	
Factory Building	No Depreciation Charged
Non Factory Buildings	No Depreciation Charged
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers	3 years

\*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5,000 or less are fully depreciated in the year of acquisition.



Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognized.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

## **2.5 Intangible assets**

Identifiable intangible assets are recognized when The Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to The Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognized at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development. This comprises expenditure on ERP software license fee and it's configuration and customization.

Intangible assets are derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognized as income or expense in the statement of profit and loss.

## **2.6 Financial instruments**

### **Financial Assets:**

#### **Initial recognition and measurement:**

Financial assets are recognized when The Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognized at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction costs are recognized in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

#### **Financial assets are subsequently classified and measured at**

- amortized cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

### **Equity Instruments:**

Investment in subsidiaries is measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless The Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

### **Derivative financial instruments:**

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognized in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

**Derecognition:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Asset:**

In accordance with Ind AS 109, The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require The Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, The Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

**Financial Liabilities and equity instruments:****Classification as debt or equity**

Debt and equity instruments issued by The Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognized at the proceeds received, net of direct issue costs.

**Financial liabilities****Initial recognition and measurement:**

Financial liabilities are recognized when The Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If The Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to The Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

**Subsequent measurement**

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

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss, unless and to the extent capitalized as part of costs of an asset.





The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Trade and other payables**

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Derecognition**

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

#### **Offsetting of Financial Instruments**

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

#### **2.7 Impairment of Non-financial assets**

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

#### **2.8 Borrowing costs**

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

#### **2.9 Foreign currency transactions**

The financial statements are presented in Indian Rupees (INR), the functional currency of The Company. Items included in the financial statements of The Company are recorded using the currency of the primary economic environment in which The Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.





Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, The Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

## 2.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### Finance lease:

Assets held under finance leases are initially recognised as assets of The Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with The Company's policy on borrowing cost. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### Operating lease:

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## 2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

### Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

## 2.12 Employee benefits

### Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

**Post-employment benefits :****i) Defined contribution plan**

The defined contribution plan is post employment benefit plan under which The Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

**ii) Defined benefit plan**

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

**Other long-term employee benefit obligations:**

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

**2.13 Share-Based Payments:**

None of the employees of the Company received remuneration in the form of share based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated by an independent valuer on the basis of Black Scholes model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, The Company issues fresh equity shares.

**2.14 Government Grant:**

The company has not received any government grants.

Government grants are recognised only when there is reasonable assurance that The Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Company recognises as expenses the related costs for which the grants are intended to compensate.

**Accordingly, government grants :**

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

**2.15 Non-current assets held for sale and discontinued operations**

The company does not have discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.



Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

- (a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

## 2.16 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

### Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Deferred tax liabilities** are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

**Deferred tax assets** are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses unabsorbed tax depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## 2.17 Provisions and contingencies

### Provisions:

Provisions are recognised when The Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where The Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

### Contingencies:

#### Contingent liabilities

A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Company, or
- a present obligation that arises from past events but is not recognised because :
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or"
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

#### Contingent assets

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

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

## 2.18 Segment Reporting

PARTICULARS	PROPERTY SEGMENT	EQUITY MARKET SEGMENT/TRADING	BUSINESS AUXILLIARY	OTHERS	TOTAL
REVENUE	76,000,000	87,722,933.79	3,500,000.00	9,421,220.00	176,644,154
IDENTIFIED					
OPERATING EXPENSES	90,824,019.23	98,619,259.25	171,952.34	462,857.38	190,078,088
SEGMENT RESULT	(14,824,019)	(10,896,325)	3,328,048	8,958,363	(13,433,934)
INCOME TAX INCLUDING					
DEFERRED TAX AND					
ADJUSTMENTS					421,084
NET PROFIT AFTER TAX					(13,855,018)
SEGMENT ASSETS	164,725,894	27,292,562	-		192,018,456
TOTAL ASSETS	164,725,894	27,292,562	-		192,018,456
SEGMENT LIABILITIES	100,481,297	2,500,000	-		102,981,297
CAPITAL EMPLOYED	64,244,598	24,792,562			89,037,160

**2.19 Related party**

A related party is a person or entity that is related to the reporting entity and it includes:

- (a) A person or a close member of that person's family if that person:
- has control or joint control over the reporting entity;
  - has significant influence over the reporting entity; or
  - is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to the reporting entity if any of the following conditions apply:
- The entity and the reporting entity are members of the same Group.
  - One entity is an associate or joint venture of the other entity.
  - Both entities are joint ventures of the same third party.
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
  - The entity is controlled or jointly controlled by a person identified in (a).
  - A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind As 24.

**Following are the Related party Transactions:-**

Name of the Person	Transactions during the year	Relationship
Prakash Chand Jalan	Loan Received Rs 5,45,50,000/- and Repaid Rs 1,25,50,000. Outstanding loan is Rs 4,52,18,000/-. Further 422366 Equity share were allotted on Account of Scheme of Arrangement of Amalgamation.	Key Managerial person
Nishit Jalan	Loan Received Rs 5,19,900/- and Repaid Rs 1,67,19,000. Outstanding loan is Rs 19,95,000/-. Further Salary for Rs 4,20,000/- paid. Further 187950 Equity share were allotted on Account of Scheme of Arrangement of Amalgamation.	Key Managerial person
Anita Jalan	Loan Received Rs 88,10,000/- and Repaid Rs 1,14,90,000. Outstanding loan is Rs 46,50,000/-. Further 331057 Equity share were allotted on Account of Scheme of Arrangement of Amalgamation.	Key Managerial person
Gagan	Nil	Key Managerial person
Rajendra Prasad Rustogi	Nil	Key Managerial person
Parveen Kumar	Nil	Key Managerial person
Ankur Jalan	Loan Received Rs 2,56,02,032/- and Repaid 1,64,63,532/-. Outstanding Balance is Rs 1,36,88,500/-. Further salary paid Rs 3,00,000/- Further 88776 Equity share were allotted on Account of Scheme of Arrangement of Amalgamation.	Relative of KMP
PC Jalan HUF	No transaction made during the year. Outstanding Loan is Rs 45,50,000/- Further 84252 Equity share were allotted on Account of Scheme of Arrangement of Amalgamation.	Relative of KMP
Raj Kumar Jalan	Loan Repaid Rs 3,18,50,000. Outstanding loan is NIL.	Relative of KMP

**2.20 Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by The Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

**2.21 Cash Flow Statement**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and"
- all other items for which the cash effects are investing or financing cash flows.

**2.22 Earnings per share**

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of The Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of The Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

**2.23 Merger with Other Companies**

The National Company Law Tribunal vide its order dated september,19 2019 approved the Scheme of Amalgamation ('the Scheme') amongst the Company, Ankur Buildtech Private Limited(ABPL), Ganesh Contactors And Colonisers Private Limited(GCCPL), Ganesh Promoters Private Limited(GPPL) and to make the Scheme effective, the Company was required to file the same with Registrar of Companies (ROC). Accordingly, the Company filed the Scheme on September 10, 2019 with the ROC. The financial results of the Company for the years ended March 31, 2020 and March 31, 2019 also includes the results of erstwhile entities, i.e. ABPL,GCCPL&GPPL.

In accordance with the accounting treatment as prescribed by the aforementioned order, the Company accounted for the business combination as per requirement of Appendix C of Ind AS103 Business Combination which lays down the principles in respect of accounting for business combination of entities or businesses under common control. As required by the standard, pooling of interest method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Company at their respective carrying amounts. The surplus of the value of the net assets acquired over the face value of the equity shares issued by the Company pursuant to the amalgamation has been transferred to 'capital reserve account' in the financial statements of the Company.

In accordance with the requirement of Appendix C of Ind AS 103 Business Combination, the financial information in the financial statements in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e., April 1, 2018 and consequently, the amounts for the preceding periods include the results of the aforementioned business acquired. Details of the summarized values of assets and liabilities of Ankur Buildtech Private Limited(ABPL), Ganesh Contactors And Colonisers Private Limited(GCCPL), Ganesh Promoters Private Limited(GPPL) as acquired and the treatment of the difference between the net assets acquired over face value of equity shares issued is as under:

**As at April 01, 2018**

Particulars	Ankur Buildtech Private Limited(ABPL)	Ganesh Contactors And Colonisers Private Limited(GCCPL)	Ganesh Promoters Private Limited(GPPL)	Total
Non current investment	2,000,000.00	27,661,561.11	-	29,661,561.11
Inventories	-	-	3,561,873.00	3,561,873.00
Current Investment	-	-	22,187,470.90	22,187,470.90
cash & cash Equivalent	77,922.22	3,050,374.75	6,025,432.75	9,153,729.72
Loan & advances	-	-	-	-
other current asset	2,742.00	2,306,198.97	1,368,788.04	3,677,729.01
<b>Total Asset</b>	<b>2,080,664.22</b>	<b>33,018,134.83</b>	<b>33,143,564.69</b>	<b>68,242,363.74</b>
other long term liabilities	90.25	132.25	143.25	365.75
short term provision	15,500.00	17,390.00	20,340.00	53,230.00
Securities premium	-	9,925,080.00	11,130,580.00	21,055,660.00
Retained Earning	1,065,073.97	3,075,532.58	3,992,501.44	8,133,107.99
<b>Total liabilities</b>	<b>1,080,664.22</b>	<b>13,018,134.83</b>	<b>15,143,564.69</b>	<b>29,242,363.74</b>
<b>Net asset</b>	<b>1,000,000.00</b>	<b>20,000,000.00</b>	<b>18,000,000.00</b>	<b>39,000,000.00</b>
Consideration by way of equity share (Refer note 2.1)	344,000.00	5,400,010.00	5,400,000.00	11,144,010.00
<b>Capital reserve</b>	<b>656,000.00</b>	<b>14,599,990.00</b>	<b>12,600,000.00</b>	<b>27,855,990.00</b>



**2.24 Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

**2.25 Exceptional Items**

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of The Company is treated as an exceptional item and the same is disclosed in the financial statements.

**2.26 Corporate Social Responsibility (CSR) expenditure**

The provisions related to Corporate Social Responsibility are not applicable on the company.





**GROVY INDIA LIMITED**  
**CIN: L74130DL1985PLC021532**  
**Regd. Office: 122, 1<sup>st</sup> Floor, Vinoba Puri, Lajpat Nagar Part II, New Delhi-110024**  
**Web: www.grovyindia.com, Email: grovyindia@gmail.com**

**ATTENDANCE SLIP**

**35<sup>th</sup> ANNUAL GENERAL MEETING- Thursday, 30<sup>th</sup> July, 2020 at 11:00 A.M.**

(To be presented at the entrance)

<b>DP I.D.</b>		<b>NAME AND ADDRESS OF REGISTERED SHAREHOLDER/ PROXY</b>
<b>Client I.D./ Folio No.</b>		
<b>No. of Shares</b>		

I/We certify that I/we am/are registered shareholder/ proxy of the Company.

I/We hereby record my/our presence at the 35<sup>th</sup> ANNUAL GENERAL MEETING of the Company at 122, Vinobapuri, Lajpat Nagar II, New Delhi-110024 on Thursday, 30<sup>th</sup> July, 2020 at 11.00 A.M.

NOTE: PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

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Signature of the Member/ Proxy

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**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]

**GROVY INDIA LIMITED (CIN: L74130DL1985PLC021532)**

**Regd. Office: 122, 1<sup>st</sup> Floor, Vinoba Puri, Lajpat Nagar Part II, New Delhi-110024**

**Web: www.grovyindia.com, Email: grovyindia@gmail.com**

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

I/We, being the member(s) holding..... shares of the above-named Company, hereby appoint:

Name	
Address	
Email Id	
Signature	

Or failing him/her

Name	
Address	
Email Id	
Signature	

Or failing him/her

Name	
Address	
Email Id	
Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **35<sup>th</sup> AGM** of the Company to be held on **Thursday, 30<sup>th</sup> July, 2020 at 11:00 A.M. at 122, Vinobapuri, Lajpat Nagar II, New Delhi – 110024** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resoluti on No	Resolution	For	Against
<b>ORDINARY BUSINESSES</b>			
1.	Adoption of Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2020 including Balance Sheet as at 31 <sup>st</sup> March, 2020 and the Statement of Profit & Loss, Reports of the Board of Directors and Auditors thereon.		
2.	Appoint a Director in place of Prakash Chand Jalan (DIN: 00475635), who retires by rotation and, being eligible, offers himself for re-appointment.		
<b>SPECIAL BUSINESSES</b>			
3.	Regularization of Mr. Nawal Kishore Choudhury (DIN 00973844), as an Independent Director of the Company.		
4.	Appointment of M/s. Doogar & Associates., Chartered Accountants, New Delhi (FRN:000561N), Statutory Auditor of the Company to fill the casual vacancy		
5.	Appointment of M/s. Doogar & Associates., Chartered Accountants, New Delhi (FRN:000561N), as Statutory Auditor of the Company to hold office for a period of Five (5) consecutive years.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp



- This Form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A Proxy need not be member of the Company.
- A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy, however, such person shall not act as proxy for any other person or Shareholder. Please put a '✓' or 'X' in the appropriate column against the resolution(s) indicated in the box. If you leave the 'For'/'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she deems appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person, if he so desires.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be mentioned.



If undelivered, please return to:

**Skyline Financial Services Pvt. Ltd.**

D-153A, Okhla Industrial Area, Phase-I, New Delhi-110020