

Walker Chandiok & Co LLP

**Financial Statements and Independent Auditors' report**

**Shree Krishna Agency Limited**

**31 March 2021**

---

**Walker Chandiook & Co LLP**

11th Floor, Tower II,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India  
T +91 22 6626 2699  
F +91 22 6626 2601

**Independent Auditor's Report**

**To the Members of Shree Krishna Agency Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of **Shree Krishna Agency Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Information other than the Financial Statements and Auditor's Report thereon**

4. The Company's Board of Directors is responsible for the other information. The Other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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



**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

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

The Director's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. 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.
7. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

11. As required by section 197 (16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provision of and limits laid down under Section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) the financial statements dealt with by this report are in agreement with the books of account;
  - c) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - d) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - e) we have also audited the internal financial controls with reference to Financial Statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 10 June 2021 as per Annexure B expressed an unmodified opinion;



**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

- f) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN:21105117AAAADA2908**

Place: Mumbai  
Date: 10 June 2021

**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

**Annexure A to the Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited, on the financial statements for the year ended 31 March 2021**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which fixed assets are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loan to companies covered in the register maintained under Section 189 of the Act, and with respect to the same:
- (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
- (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular; and
- (c) there is no overdue amount in respect of loans granted to such company
- (iv) The provisions of Sections 185 of the Act do not apply to the Company. In our opinion, the Company has complied with the provisions of section 186 of the Act in respect of loans given. Further, in our opinion, the Company has not undertaken any transaction in respect of investments, guarantees and security covered under section 186 of the Act.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.



**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

**Annexure A (Contd)**

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year, The Company has no loans or borrowings payable to government or no dues payable to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN: 21105117AAAADA2908**

Place: Mumbai  
Date: 10 June 2021

**Shree Krishna Agency Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

---

**Annexure B to the Independent Auditor's Report of even date to the members of Shree Krishna Agency Limited on the financial statements for the year ended 31 March 2021**

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Shree Krishna Agency Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

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

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal Financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls over Financial Reporting with Reference to Financial Statements**

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





**Annexure B (Contd)**

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN: 21105117AAAADA2908**

Place: Mumbai  
Date: 10 June 2021

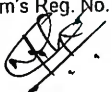
**Shree Krishna Agency Limited**  
**Balance Sheet as at 31 March 2021**  
(All amounts in ₹ lakhs, unless otherwise stated)

|   | Note  | As at<br>31 March 2021  | As at<br>31 March 2020  |
|---|-------|-------------------------|-------------------------|
| <b>ASSETS</b>                               |       |                         |                         |
| <b>Financial Assets</b>                     |       |                         |                         |
| (a) Cash and cash equivalents               | 3     | 554.49                  | 130.59                  |
| (b) Loans                                   | 4     | 5,593.29                | 5,952.79                |
| (c) Investments                             | 5     | 8,530.16                | 8,709.49                |
| (d) Other financial assets                  | 6     | 49.95                   | 8.89                    |
|   |       | <u>14,727.89</u>        | <u>14,801.76</u>        |
| <b>Non-financial Assets</b>                 |       |                         |                         |
| (a) Current tax assets (net)                | 25(b) | -                       | 117.11                  |
| (b) Property, plant and equipment           | 7     | 46.72                   | 65.74                   |
| (c) Other non-financial assets              | 8     | 2.17                    | 2.17                    |
|   |       | <u>48.89</u>            | <u>185.02</u>           |
| <b>Total Assets</b>                         |       | <u><b>14,776.78</b></u> | <u><b>14,986.78</b></u> |
| <b>LIABILITIES AND EQUITY</b>               |       |                         |                         |
| <b>LIABILITIES</b>                          |       |                         |                         |
| <b>Financial Liabilities</b>                |       |                         |                         |
| (a) Borrowings (other than debt securities) | 9     | 35.60                   | 911.39                  |
| (b) Other financial liabilities             | 10    | 31.72                   | 17.26                   |
|   |       | <u>67.32</u>            | <u>928.65</u>           |
| <b>Non-Financial Liabilities</b>            |       |                         |                         |
| (a) Current tax liabilities (net)           | 25(b) | 10.96                   | 8.76                    |
| (b) Provisions                              | 11    | 2.23                    | 1.77                    |
| (c) Deferred tax liabilities (net)          | 12    | 819.78                  | 673.81                  |
| (d) Other non-financial liabilities         | 13    | 4.63                    | 5.73                    |
|   |       | <u>837.60</u>           | <u>690.07</u>           |
| <b>Equity</b>                               |       |                         |                         |
| (a) Equity share capital                    | 14    | 1,094.96                | 1,094.96                |
| (b) Other equity                            | 15    | 12,776.90               | 12,273.10               |
|   |       | <u>13,871.86</u>        | <u>13,368.06</u>        |
| <b>Total Liabilities and Equity</b>         |       | <u><b>14,776.78</b></u> | <u><b>14,986.78</b></u> |

Notes 1 - 39 form an integral part of these financial statements

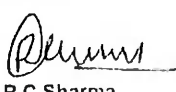
This is the Balance Sheet referred to in our report of even date.

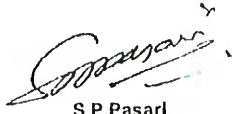
For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

  
**Manish Gujral**  
Partner  
Membership No. 105117  
Place: Mumbai  
Date: 10 June 2021

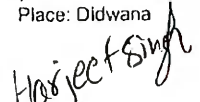


For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

  
**R.C.Sharma**  
Director  
(DIN: 00225947)  
Place: Didwana

  
**S.P.Pasari**  
Director  
(DIN: 01190244)  
Place: Didwana

  
**Vikash Rathi**  
Chief Financial Officer  
Place: Kolkata

  
**Harjeet Singh**  
Company Secretary  
Place: Kolkata

Date: 10 June 2021

Shree Krishna Agency Limited  
Statement of Profit and Loss for the year ended 31 March 2021  
(All amounts in ₹ lakhs, unless otherwise stated)

|  | Note | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|------|-----------------------------|-----------------------------|
| <b>Revenue from operations</b>   |      |                             |                             |
| (a) Interest income  | 16   | 580.34                      | 612.44                      |
| (b) Dividend income  | 17   | 3.14                        | 388.44                      |
| (c) Net gain on fair value changes   | 18   | 204.60                      | (456.66)                    |
|  |      | <u>788.08</u>               | <u>544.22</u>               |
| <b>Other Income</b>  | 19   | 12.28                       | 2.05                        |
| <b>Total Income</b>  |      | <u>800.36</u>               | <u>546.27</u>               |
| <b>Expenses</b>  |      |                             |                             |
| (a) Finance costs  | 20   | 85.26                       | 70.77                       |
| (c) Impairment on financial Instruments  | 21   | (1.45)                      | (1.81)                      |
| (d) Employee benefits expenses   | 22   | 134.07                      | 139.00                      |
| (e) Depreciation expense   | 23   | 20.63                       | 29.81                       |
| (f) Other expenses   | 24   | 59.87                       | 45.76                       |
|  |      | <u>298.38</u>               | <u>283.53</u>               |
| <b>Total Expenses</b>  |      | <u>501.90</u>               | <u>262.74</u>               |
| <b>Profit before tax</b>   |      |                             |                             |
| <b>Tax Expense:</b>  | 25   |                             |                             |
| (a) Current tax  |      | 100.00                      | 100.00                      |
| (b) Deferred tax   |      | 98.81                       | (103.89)                    |
| (c) Prior year taxes   |      | 13.73                       | -                           |
|  |      | <u>212.54</u>               | <u>(3.89)</u>               |
| <b>Profit for the year</b>   |      | <u>289.44</u>               | <u>266.63</u>               |
| <b>Other Comprehensive Income</b>  |      |                             |                             |
| (a) (i) Items that will not be reclassified to profit or loss                            |      |                             |                             |
| - Fair valuation of equity and preference instruments through other comprehensive income |      | 261.25                      | (42.67)                     |
| - Remeasurement benefit of defined benefit plans   |      | 0.27                        | (0.25)                      |
| (ii) Income tax relating to items that will not be reclassified to profit or loss        |      | 47.16                       | 4.50                        |
| <b>Total other comprehensive income</b>  |      | <u>214.36</u>               | <u>(47.42)</u>              |
| <b>Total comprehensive income for the year</b>   |      | <u>503.80</u>               | <u>219.21</u>               |
| <b>Earnings per equity share</b>   | 26   |                             |                             |
| Basic (₹)  |      | 516.86                      | 476.13                      |
| Diluted (₹)  |      | 26.43                       | 24.35                       |

Notes 1 - 39 form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

Manish Gujral  
Partner  
Membership No. 105117  
Place: Mumbai  
Date: 10 June 2021



For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

*R.C. Sharma*  
R.C. Sharma  
Director  
(DIN: 00225947)  
Place: Didwana

*S.P. Pasari*  
S.P. Pasari  
Director  
(DIN: 01190244)  
Place: Didwana

*Vikash Rath*  
Vikash Rath  
Chief Financial Officer  
Place: Kolkata

*Harjeet Singh*  
Harjeet Singh  
Company Secretary  
Place: Kolkata

Date: 10 June 2021

Shree Krishna Agency Limited  
Cash flow statement for the year ended 31 March 2021  
(All amounts in ₹ lakhs, unless otherwise stated)

|   | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|---|-----------------------------|-----------------------------|
| <b>A. Cash flow from operating activities</b>                   |                             |                             |
| Profit before tax   | 501.98                      | 262.74                      |
| Adjustments for:  |                             |                             |
| Net (gain) / loss on fair value changes                         | (204.60)                    | 456.66                      |
| Liability written back  | (0.18)                      |                             |
| Depreciation expense  | 20.63                       | 29.81                       |
| Impairment on financial instruments                             | (1.45)                      | (1.81)                      |
| <b>Operating profit before working capital changes</b>          | <b>316.38</b>               | <b>747.40</b>               |
| <b>Adjustments for changes in working capital</b>               |                             |                             |
| Decrease in loans   | 360.95                      | 501.24                      |
| Increase in other financial assets                              | (41.06)                     | (2.37)                      |
| Decrease in other non-financial assets                          | -                           | 0.02                        |
| Increase in other financial liabilities                         | 14.46                       | 4.37                        |
| Decrease in other non-financial liabilities                     | (1.10)                      | (0.73)                      |
| Increase in provisions  | 0.73                        | 0.64                        |
| <b>Cash generated from operating activities</b>                 | <b>650.36</b>               | <b>1,250.57</b>             |
| Income tax paid (net of refunds)                                | 5.58                        | (95.03)                     |
| <b>Net cash generated from operating activities</b>             | <b>(A) 655.94</b>           | <b>1,155.54</b>             |
| <b>B. Cash flow from Investing activities</b>                   |                             |                             |
| Purchase of property, plant and equipment                       | (1.61)                      | -                           |
| Purchase of investments   | (1,324.00)                  | (1,576.73)                  |
| Sale of investments   | 1,969.36                    | 165.83                      |
| <b>Net cash generated from/ (used in) Investing activities</b>  | <b>(B) 643.75</b>           | <b>(1,410.90)</b>           |
| <b>C. Cash flow from financing activities</b>                   |                             |                             |
| Proceeds / repayment of borrowings (net)                        | (850.00)                    | 398.00                      |
| Repayment of term loan  | (25.79)                     | (23.61)                     |
| <b>Net cash generated from / (used in) financing activities</b> | <b>(C) (875.79)</b>         | <b>374.39</b>               |
| <b>Net increase in cash and cash equivalents</b>                | <b>(A+B+C) 423.90</b>       | <b>119.03</b>               |
| Cash and cash equivalents as at beginning of the year           | 130.59                      | 11.56                       |
| Cash and cash equivalents as at end of the year                 | <b>554.49</b>               | <b>130.59</b>               |

Notes:

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

(ii) Cash and cash equivalents comprises of:

|                       |               |               |
|-----------------------|---------------|---------------|
| Cash on hand          | 0.40          | 0.17          |
| Balances with banks   |               |               |
| - In current accounts |               |               |
|                       | 554.09        | 130.42        |
|                       | <b>554.49</b> | <b>130.59</b> |

(iii) Reconciliation of liabilities arising from financing activities:

|                          |              |               |
|--------------------------|--------------|---------------|
| <b>Borrowings</b>        |              |               |
| Opening balance          | 911.39       | 537.00        |
| Proceeds from Borrowings | 705.00       | 1,823.00      |
| Repayment of borrowings  | (1,580.79)   | (1,448.61)    |
| Closing Borrowings       | <b>35.60</b> | <b>911.39</b> |

This is the Cash flow Statement referred to in or report of even date.

For Walker Chandlok & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

Manish Gujral  
Partner  
Membership No. 105117  
Place: Mumbai  
Date: 10 June 2021



For and on behalf of the board of directors  
Shree Krishna Agency Limited

R.C.Sharma  
Director  
(DIN: 00225947)  
Place: Didwana

S.P.Pasari  
Director  
(DIN: 01190244)  
Place: Didwana

Vikash Rathi  
Chief Financial Officer  
Place: Kolkata

Harjeet Singh  
Company Secretary  
Place: Kolkata

Date: 10 June 2021

Shree Krishna Agency Limited  
Statement of Changes in Equity for the year ended 31 March 2021  
(All amounts in ₹ lakhs, unless otherwise stated)

|  | As at<br>31 March 2021 | As at<br>31 March 2020 |                    |                   |   |                  |
|--|------------------------|------------------------|--------------------|-------------------|---|------------------|
| <b>A. Equity Share Capital</b>   |                        |                        |                    |                   |   |                  |
| Balance at the beginning of the year   | 56.00                  | 56.00                  |                    |                   |   |                  |
| Changes in equity share capital during the year                                      | -                      | -                      |                    |                   |   |                  |
| Balance at the end of the year   | <u>56.00</u>           | <u>56.00</u>           |                    |                   |   |                  |
| <b>B. Preference Share Capital</b>   |                        |                        |                    |                   |   |                  |
| Balance at the beginning of the year   | 1,038.96               | 1,038.96               |                    |                   |   |                  |
| Changes in preference share capital during the year                                  | -                      | -                      |                    |                   |   |                  |
| Balance at the end of the year   | <u>1,038.96</u>        | <u>1,038.96</u>        |                    |                   |   |                  |
| <b>C. Other Equity</b>   |                        |                        |                    |                   |   |                  |
| Particulars  | Reserves and Surplus   |                        |                    |                   | Other comprehensive Income  | Total            |
|  | General Reserve        | Securities Premium     | Statutory Reserves | Retained Earnings | Fair valuation of equity Instruments through Other Comprehensive Income |                  |
| Balance at 31 March 2019   | 284.57                 | 6,961.03               | 410.45             | 813.51            | 3,584.33  | 12,053.89        |
| Profits for the year   | -                      | -                      | -                  | 266.63            | -   | 266.63           |
| Transferred to statutory reserves  | -                      | -                      | 53.33              | (53.33)           | -   | -                |
| Items of other comprehensive income:   |                        |                        |                    |                   |   |                  |
| - Remeasurement of defined benefit plans   | -                      | -                      | -                  | (0.25)            | -   | (0.25)           |
| - Net fair value loss on investment in equity and preference instruments through OCI | -                      | -                      | -                  | -                 | (42.67)   | (42.67)          |
| - Tax impact   | -                      | -                      | -                  | 0.06              | (4.56)  | (4.50)           |
| Balance at 31 March 2020   | <u>284.57</u>          | <u>6,961.03</u>        | <u>463.78</u>      | <u>1,026.62</u>   | <u>3,537.10</u>   | <u>12,273.10</u> |
| Profits for the year   | -                      | -                      | -                  | 289.44            | -   | 289.44           |
| Transferred to statutory reserves  | -                      | -                      | 57.89              | (57.89)           | -   | -                |
| Items of other comprehensive income:   |                        |                        |                    |                   |   |                  |
| - Remeasurement of defined benefit plans   | -                      | -                      | -                  | 0.27              | -   | 0.27             |
| - Net fair value gain on investment in equity and preference instruments through OCI | -                      | -                      | -                  | -                 | 261.25  | 261.25           |
| - Tax impact   | -                      | -                      | -                  | (0.07)            | (47.09)   | (47.16)          |
| Balance at 31 March 2021   | <u>284.57</u>          | <u>6,961.03</u>        | <u>521.67</u>      | <u>1,258.37</u>   | <u>3,751.26</u>   | <u>12,776.90</u> |

This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013

  
Manish Gujral

Partner  
Membership No. 105117  
Place: Mumbai  
Date: 10 June 2021



For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

  
R.C. Sharma

Director  
(DIN: 00225947)  
Place: Didwana

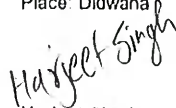
  
Vikash Rath

Chief Financial Officer  
Place: Kolkata

Date: 10 June 2021

  
S.P. Pasari

Director  
(DIN: 01190244)  
Place: Didwana

  
Harjeet Singh

Company Secretary  
Place: Kolkata

**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**1 (a) Corporate Information**

Shree Krishna Agency Limited ("the Company") is a public limited company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is a non-deposit taking non-systemically Important Non-Banking Financial Company ("NBFC") registered with Reserve Bank of India ("the RBI") and is engaged in the business of providing loans and making investments in shares and securities.

**(b) Basis of preparation of financial statements**

These financial statements has been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act 2013 ('the Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time ('Ind AS') along with other relevant provisions of the Act; the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by Reserve Bank of India (RBI) (as amended) and the regulatory guidance on implementation of Ind AS as notified by the RBI vide notification dated 13 March 2020. The Guidance Note on Division III - Schedule III to the Act issued by the Institute of Chartered Accountants of India ("ICAI") has been followed insofar as they are not inconsistent with any of these Directions

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

**(c) Presentation of financial statements**

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 29.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

**(d) Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Business model assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

**Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

**Provisions and other contingent liabilities**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

**(e) Application of new accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.



Shree Krishna Agency Limited

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies**

**2.01 Revenue recognition**

**Interest Income (Effective Interest rate method)**

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets net of upfront processing fees. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis. For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

**Dividend income**

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

**Trading income**

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

**2.02 Financial instruments**

**Point of recognition**

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

**Initial recognition**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as per the principles of the Ind AS. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts mentioned below:

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

**Subsequent measurement of financial liabilities**

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**

**2.02 Financial Instruments (cont'd)**

**Subsequent measurement of financial assets**

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets measured at fair value through profit or loss (FVTPL)

**(a) Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and
- (ii) 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.

This category applies to cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**(b) Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) 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.

This category applies to certain investments in debt and equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Company has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and they are not held for trading. The Company has made such election on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

**(c) Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Financial assets or financial liabilities held for trading:**

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

(This space has been intentionally left blank)





**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**

**2.02 Financial instruments (cont'd)**

**De-recognition:**

**(a) Financial asset:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the Financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**(b) Financial liability:**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

**Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**Offsetting of financial instruments:**

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

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**

**2.03 Fair Value**

The Company measures its financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

- Level 2 - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

- Level 3 - Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**2.04 Income Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current tax**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venture or joint operator is able to control the timing of the reversal of the temporary difference, and
- it is probable that the temporary difference will not reverse in the foreseeable future.

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

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**

**2.04 Income taxes (cont'd)**

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**2.05 Provisions and contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**2.06 Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

**2.07 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 and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**Post-employment benefits**

**(i) Defined contribution plans**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

**Recognition and measurement of defined contribution plans:**

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**(ii) Defined benefit plans**

**Gratuity scheme:**

Gratuity is a post employment benefit and is a defined benefit plan. The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if any. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

**Recognition and measurement of defined benefit plans**

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company does not presents the above liability/(asset) as current and non-current in the Balance Sheet as per the principles of Division III financial statements as per the MCA notification dated 11 October 2018.

**(iii) Other long-term employee benefits:**

Entitlements to compensated absences are recognized as and when they accrue to employees and they are considered to be a financial liability, since the accumulated leaves can be encashed at the end of every year.

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**

**2.08 Lease accounting**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

**Recognition and initial measurement**

At lease commencement date, the Company recognises a right-of-use asset ('ROU') and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

**Subsequent measurement**

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

**Presentation**

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

**2.09 Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**2.10 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**2.11 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. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**2.12 Property, plant & equipment**

**Measurement at recognition**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**2 Significant accounting policies (cont'd)**  
**2.12 Property, plant & equipment (cont'd)**

**Capital work-in-progress and capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-financial assets.

**Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Individual assets costing less than INR 5,000 are depreciated in full in the year of acquisition.

**De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**2.13 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**2.14 Earnings per equity share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

*(This space has been intentionally left blank.)*



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>3 Cash and cash equivalents</b>  |                        |                        |
| Cash on hand  | 0.40                   | 0.17                   |
| Balances with banks in current account                                    | 154.09                 | 130.42                 |
| Balances with banks in deposit accounts (original maturity upto 3 months) | 400.00                 | -                      |
|   | <u>554.49</u>          | <u>130.59</u>          |

(This space has been intentionally left blank)



Shree Krishna Agency Limited  
Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lakhs, unless otherwise stated)

4 Loans

|  | As at 31 March 2021 |                                       |  | As at 31 March 2020 |                                       |  | Total           |
|--|---------------------|---------------------------------------|--|---------------------|---------------------------------------|--|-----------------|
|  | Amortised Cost      | At fair value through profit and loss | At fair value through other comprehensive income | Amortised Cost      | At fair value through profit and loss | At fair value through other comprehensive income |                 |
| <b>(A) Loans</b>                                       |                     |                                       |  |                     |                                       |  |                 |
| Loans repayable on demand:                             |                     |                                       |  |                     |                                       |  |                 |
| - To related parties (refer note 27)                   | 5,028.92            | -                                     | -  | 5,028.92            | -                                     | -  | 5,419.42        |
| - To others  | 518.50              | -                                     | -  | 518.50              | -                                     | -  | 518.50          |
| Interest accrued                                       | 71.83               | -                                     | -  | 71.83               | -                                     | -  | 42.28           |
| <b>Total (A) - Gross</b>                               | <b>5,619.25</b>     | -                                     | -  | <b>5,619.25</b>     | -                                     | -  | <b>5,980.20</b> |
| Less: Impairment allowance [refer note (a) below]      | (25.96)             | -                                     | -  | (25.96)             | -                                     | -  | (27.41)         |
| <b>Total (A) - Net</b>                                 | <b>5,593.29</b>     | -                                     | -  | <b>5,593.29</b>     | -                                     | -  | <b>5,952.79</b> |
| <b>(B) Security</b>                                    |                     |                                       |  |                     |                                       |  |                 |
| Secured by tangible assets                             | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| Secured by intangible assets                           | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| Covered by Bank/Government Guarantees                  | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| Unsecured  | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| <b>Total (B) - Gross</b>                               | <b>5,619.25</b>     | -                                     | -  | <b>5,619.25</b>     | -                                     | -  | <b>5,980.20</b> |
| Less: Impairment loss allowance [refer note (a) below] | (25.96)             | -                                     | -  | (25.96)             | -                                     | -  | (27.41)         |
| <b>Total (B) - Net</b>                                 | <b>5,593.29</b>     | -                                     | -  | <b>5,593.29</b>     | -                                     | -  | <b>5,952.79</b> |
| <b>(C) Other details</b>                               |                     |                                       |  |                     |                                       |  |                 |
| <b>(i) Loans in India</b>                              |                     |                                       |  |                     |                                       |  |                 |
| - Public Sector  | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| - Others   | 5,619.25            | -                                     | -  | 5,619.25            | -                                     | -  | 5,980.20        |
| <b>Total (C) (i) - Gross</b>                           | <b>5,619.25</b>     | -                                     | -  | <b>5,619.25</b>     | -                                     | -  | <b>5,980.20</b> |
| Less: Impairment loss allowance [refer note (a) below] | (25.96)             | -                                     | -  | (25.96)             | -                                     | -  | (27.41)         |
| <b>Total (C) (i) - Net</b>                             | <b>5,593.29</b>     | -                                     | -  | <b>5,593.29</b>     | -                                     | -  | <b>5,952.79</b> |
| <b>(ii) Loans outside India</b>                        |                     |                                       |  |                     |                                       |  |                 |
| <b>Total (C) (ii) - Gross</b>                          | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| Less: Impairment loss allowance                        | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| <b>Total (C) (ii) - Net</b>                            | -                   | -                                     | -  | -                   | -                                     | -  | -               |
| <b>Total (C) (i) and (ii) - Net</b>                    | <b>5,593.29</b>     | -                                     | -  | <b>5,593.29</b>     | -                                     | -  | <b>5,952.79</b> |

(a) Movement in impairment loss allowance during the period is as follows:

|  | Year ended 31 March 2021 | Year ended 31 March 2020 |
|--|--------------------------|--------------------------|
| Balance at the beginning of the year           | 27.41                    | 29.22                    |
| Add: Provision made during the year            | -                        | -                        |
| Less: Provision reversed during the year       | (1.45)                   | (1.81)                   |
| Balance at the end of the year (refer note 34) | 25.96                    | 27.41                    |



Shree Krishna Agency Limited  
 Summary of significant accounting policies and other explanatory information  
 (All amounts in ₹ lakhs, unless otherwise stated)

5 Investments

|   | As at 31 March 2021 |                                    |                                      |   | As at 31 March 2020 |          |       |                                    |                                      |   |            |          |
|---|---------------------|------------------------------------|--------------------------------------|---|---------------------|----------|-------|------------------------------------|--------------------------------------|---|------------|----------|
|   | Cost                | Through other comprehensive income | At fair value Through profit or loss | Designated at fair value through profit or loss | Others (*)          | Total    | Cost  | Through other comprehensive income | At fair value Through profit or loss | Designated at fair value through profit or loss | Others (*) | Total    |
| Mutual Funds                            |                     |                                    |                                      |   |                     |          |       |                                    |                                      |   |            |          |
| Government Securities                   | -                   | -                                  | 200.34                               | -   | -                   | 200.34   | -     | -                                  | 584.73                               | -   | -          | 584.73   |
| Other approved securities               | -                   | -                                  | -                                    | -   | -                   | -        | -     | -                                  | -                                    | -   | -          | -        |
| Debt Securities                         | -                   | -                                  | -                                    | -   | -                   | -        | -     | -                                  | -                                    | -   | -          | -        |
| Equity Instruments                      | -                   | 4,924.32                           | -                                    | -   | -                   | 4,924.32 | -     | -                                  | -                                    | -   | -          | -        |
| Subsidiaries (*)                        | 59.44               | -                                  | -                                    | -   | 846.00              | 905.44   | 59.44 | 4,719.32                           | -                                    | -   | 846.00     | 4,719.32 |
| Associates (*)                          | -                   | -                                  | -                                    | -   | 2,500.00            | 2,500.00 | -     | -                                  | -                                    | -   | 2,500.00   | 905.44   |
| Joint Ventures                          | -                   | -                                  | -                                    | -   | -                   | -        | -     | -                                  | -                                    | -   | -          | 2,500.00 |
| Preference Instruments                  | -                   | 0.06                               | -                                    | -   | -                   | 0.06     | -     | -                                  | -                                    | -   | -          | -        |
| Total Gross (A)                         | 59.44               | 4,924.38                           | 200.34                               | -   | 3,346.00            | 8,530.16 | 59.44 | 4,719.32                           | 584.73                               | -   | 3,346.00   | 8,709.49 |
| (i) Investments outside India           | -                   | -                                  | -                                    | -   | -                   | -        | -     | -                                  | -                                    | -   | -          | -        |
| (ii) Investments in India               | 59.44               | 4,924.38                           | 200.34                               | -   | 3,346.00            | 8,530.16 | 59.44 | 4,719.32                           | 584.73                               | -   | 3,346.00   | 8,709.49 |
| Total (B)                               | 59.44               | 4,924.38                           | 200.34                               | -   | 3,346.00            | 8,530.16 | 59.44 | 4,719.32                           | 584.73                               | -   | 3,346.00   | 8,709.49 |
| Less: Allowance for impairment loss (C) | -                   | -                                  | -                                    | -   | -                   | -        | -     | -                                  | -                                    | -   | -          | -        |
| Total Net (D)=(A)-(C)                   | 59.44               | 4,924.38                           | 200.34                               | -   | 3,346.00            | 8,530.16 | 59.44 | 4,719.32                           | 584.73                               | -   | 3,346.00   | 8,709.49 |

(\*) Investments in subsidiaries and associates are measured at cost in accordance with Ind AS 27



(This space has been intentionally left blank).





Shree Krishna Agency Limited  
 Summary of significant accounting policies and other explanatory information  
 (All amounts in ₹ lakhs, unless otherwise stated)

5 Investments (cont'd)

|  | As at 31 March<br>2021<br>Amount | As at 31 March<br>2020<br>Amount |
|--|----------------------------------|----------------------------------|
| (a) Investment in mutual funds<br>(Measured at FVTPL)  |                                  |                                  |
| Quoted, Non trade  | 200.34                           | -                                |
| <b>Total investment in mutual funds</b>  | <b>200.34</b>                    | <b>-</b>                         |
| Others, held for sell  | -                                | 584.73                           |
| <b>Total investment in mutual funds</b>  | <b>-</b>                         | <b>584.73</b>                    |
| (b) Investment in equity instruments<br>(Non-trade, measured at FVTOCI)                                  |                                  |                                  |
| Unquoted   | 4,359.04                         | 4,381.01                         |
| Quoted   | 565.28                           | 338.31                           |
| <b>Total investment in equity instruments</b>  | <b>4,924.32</b>                  | <b>4,719.32</b>                  |
| (c) Investment in subsidiaries<br>(Measured at cost)   |                                  |                                  |
| Equity instruments, unquoted   | 235.00                           | 235.00                           |
| Preference instruments, unquoted   | 611.00                           | 611.00                           |
| Deemed Investment (refer note below)   | 59.44                            | 59.44                            |
| <b>Total investment in subsidiaries</b>  | <b>905.44</b>                    | <b>905.44</b>                    |
| <b>Measured at cost</b>  | <b>846.00</b>                    | <b>846.00</b>                    |
| <b>Deemed investment</b>   | <b>59.44</b>                     | <b>59.44</b>                     |
| <b>Note:</b> Deemed investment has been recognised on interest free loan given to the subsidiary Company |                                  |                                  |
| (d) Investment in associates<br>(Measured at cost)   |                                  |                                  |
| Preference instruments, unquoted   | 2,500.00                         | 2,500.00                         |
|  | <b>2,500.00</b>                  | <b>2,500.00</b>                  |
| (e) Investment in preference instruments<br>(Measured at FVTOCI)   |                                  |                                  |
| Unquoted preference instruments  | 0.06                             | -                                |
|  | <b>0.06</b>                      | <b>-</b>                         |
| <b>Total investments</b>   | <b>8,530.16</b>                  | <b>8,124.76</b>                  |
|  | As at<br>31 March 2021           | As at<br>31 March 2020           |
| 6 Other financial assets   |                                  |                                  |
| Other receivables  | 11.76                            | 8.89                             |
| Receivable from brokers  | 38.19                            | -                                |
|  | <b>49.95</b>                     | <b>8.89</b>                      |



Shree Krishna Agency Limited  
 Summary of significant accounting policies and other explanatory information  
 (All amounts in ₹ lakhs, unless otherwise stated)

7 Property, plant and equipment

|                                  | Land and building | Furniture and fixtures | Office equipments | Laptop | Vehicles | Total |
|----------------------------------|-------------------|------------------------|-------------------|--------|----------|-------|
| <b>Gross block</b>               |                   |                        |                   |        |          |       |
| Balance as at 31 March 2019      | 0.06              | 0.08                   | 0.08              | -      | 95.68    | 95.90 |
| Additions                        | -                 | -                      | -                 | -      | -        | -     |
| Disposals                        | -                 | -                      | -                 | -      | -        | -     |
| Balance as at 31 March 2020      | 0.06              | 0.08                   | 0.08              | -      | 95.68    | 95.90 |
| Additions                        | -                 | -                      | -                 | 1.61   | -        | 1.61  |
| Disposals                        | -                 | -                      | -                 | -      | -        | -     |
| Balance as at 31 March 2021      | 0.06              | 0.08                   | 0.08              | 1.61   | 95.68    | 97.51 |
| <b>Accumulated depreciation</b>  |                   |                        |                   |        |          |       |
| Balance as at 31 March 2019      | -                 | 0.04                   | 0.03              | -      | 0.28     | 0.35  |
| Depreciation charge for the year | -                 | 0.01                   | 0.01              | -      | 29.79    | 29.81 |
| Disposals                        | -                 | -                      | -                 | -      | -        | -     |
| Balance as at 31 March 2020      | -                 | 0.05                   | 0.04              | -      | 30.07    | 30.16 |
| Depreciation charge for the year | -                 | 0.01                   | 0.01              | 0.11   | 20.50    | 20.63 |
| Disposals                        | -                 | -                      | -                 | -      | -        | -     |
| Balance as at 31 March 2021      | -                 | 0.06                   | 0.05              | 0.11   | 50.57    | 50.79 |
| <b>Carrying value</b>            |                   |                        |                   |        |          |       |
| As at 31 March 2020              | 0.06              | 0.03                   | 0.04              | -      | 65.61    | 65.74 |
| As at 31 March 2021              | 0.06              | 0.02                   | 0.03              | 1.50   | 45.11    | 46.72 |

8 Other non-financial assets

Prepaid expenses  
 Other advances

|                  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|------------------|------------------------|------------------------|
| Prepaid expenses | 1.78                   | 2.07                   |
| Other advances   | 0.39                   | 0.10                   |
|                  | <u>2.17</u>            | <u>2.17</u>            |

(This space has been intentionally left blank.)



Shree Krishna Agency Limited  
Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lakhs, unless otherwise stated)

9 Borrowings (other than debt securities)

|  | As at 31 March 2021                  |                   |   | As at 31 March 2020 |                                      |                   |   |               |
|--|--------------------------------------|-------------------|---|---------------------|--------------------------------------|-------------------|---|---------------|
|  | At fair value through profit or loss | At amortised cost | Designated at fair value through profit or loss | Total               | At fair value through profit or loss | At amortised cost | Designated at fair value through profit or loss | Total         |
| Term loans [refer note (a) below]:                 |                                      |                   |   |                     |                                      |                   |   |               |
| - from banks (secured)                             | 35.60                                | -                 | -   | 35.60               | 61.39                                | -                 | -   | 61.39         |
| Loans repayable on demand [refer note (b) below]:  |                                      |                   |   |                     |                                      |                   |   |               |
| - from related parties (refer note 27) (unsecured) | -                                    | -                 | -   | -                   | 850.00                               | -                 | -   | 850.00        |
|  | <u>35.60</u>                         | <u>-</u>          | <u>-</u>  | <u>35.60</u>        | <u>911.39</u>                        | <u>-</u>          | <u>-</u>  | <u>911.39</u> |
| Borrowings within India                            | 35.60                                | -                 | -   | 35.60               | 911.39                               | -                 | -   | 911.39        |
| Borrowings outside India                           | -                                    | -                 | -   | -                   | -                                    | -                 | -   | -             |
|  | <u>35.60</u>                         | <u>-</u>          | <u>-</u>  | <u>35.60</u>        | <u>911.39</u>                        | <u>-</u>          | <u>-</u>  | <u>911.39</u> |

Terms and conditions:

(a) Term loans:

Vehicle loan from banks is secured by hypothecation of vehicles financed there against and carries an interest rate of 8.85% p.a. It is repayable in 39 equal monthly instalments of ₹ 2.52 lacs each, which has commenced from 24 April 2019.

(b) Loans repayable on demand:

Loan from related parties:

The loan is repayable on demand and carries an interest rate of 9% to 9.25% p.a. (31 March 2020- 9.25% p.a.)



(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

|  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| <b>10 Other financial liabilities</b>  |                        |                        |
| Dues to employees  | 19.14                  | 6.66                   |
| Other payables   | 11.38                  | 9.40                   |
| Security deposits  | 1.20                   | 1.20                   |
|  | <u>31.72</u>           | <u>17.26</u>           |
| <b>11 Provisions</b>   |                        |                        |
| Provision for employee benefits<br>- Gratuity (refer note 22)  | 2.23                   | 1.77                   |
|  | <u>2.23</u>            | <u>1.77</u>            |
| <b>12 Deferred taxes</b>   |                        |                        |
| <b>(a) Deferred tax liabilities, net</b>   |                        |                        |
| <b>Deferred tax liability:</b>   |                        |                        |
| Fair valuation on investments carried at fair value through OCI  | 833.70                 | 786.61                 |
| Fair valuation on investments carried at fair value through profit and loss  | 0.08                   | (101.66)               |
| <b>Total deferred tax liabilities</b>  | <u>833.78</u>          | <u>684.95</u>          |
| <b>Deferred tax assets:</b>  |                        |                        |
| Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961 | 4.74                   | 2.41                   |
| Provision for employee benefits  | 2.72                   | 2.06                   |
| Provision for impairment allowance   | 6.54                   | 6.67                   |
| <b>Total deferred tax assets</b>   | <u>14.00</u>           | <u>11.14</u>           |
| <b>Deferred tax liabilities (net)</b>  | <u>819.78</u>          | <u>673.81</u>          |

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

12 Deferred taxes (cont'd)

(a) Deferred tax liabilities, net (cont'd)

**Movement in deferred tax liabilities for year ended 31 March 2020:**

| Particulars  | As at<br>31 March<br>2019 | Statement of<br>Profit or Loss | Other<br>comprehensive<br>Income | As at<br>31 March 2020 |
|--|---------------------------|--------------------------------|----------------------------------|------------------------|
| <b>Deferred tax liabilities for taxable temporary differences on:</b>  |                           |                                |                                  |                        |
| Fair valuation on investments carried at fair value through OCI  | 782.05                    | -                              | 4.56                             | 786.61                 |
| Fair valuation on investments carried at fair value through profit and loss  | 3.73                      | (105.39)                       | -                                | (101.66)               |
| <b>Total</b>   | <b>785.78</b>             | <b>(105.39)</b>                | <b>4.56</b>                      | <b>684.95</b>          |
| <b>Deferred tax assets for deductible temporary differences on:</b>  |                           |                                |                                  |                        |
| Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961 | 0.07                      | 2.34                           | -                                | 2.41                   |
| Provision for employee benefits  | 1.31                      | 0.69                           | 0.06                             | 2.06                   |
| Provision for impairment allowance   | 11.20                     | (4.53)                         | -                                | 6.67                   |
| <b>Total</b>   | <b>12.58</b>              | <b>(1.50)</b>                  | <b>0.06</b>                      | <b>11.14</b>           |
| <b>Deferred tax liabilities (net)</b>  | <b>773.20</b>             | <b>(103.89)</b>                | <b>4.50</b>                      | <b>673.81</b>          |

**Movement in deferred tax liabilities for year ended 31 March 2021:**

| Particulars  | As at<br>31 March<br>2020 | Statement of<br>Profit or Loss | Other<br>comprehensive<br>Income | As at<br>31 March 2021 |
|--|---------------------------|--------------------------------|----------------------------------|------------------------|
| <b>Deferred tax liabilities for taxable temporary differences on:</b>  |                           |                                |                                  |                        |
| Fair valuation on investments carried at fair value through OCI  | 786.61                    | -                              | 47.09                            | 833.70                 |
| Fair valuation on investments carried at fair value through profit and loss  | (101.66)                  | 101.74                         | -                                | 0.08                   |
| <b>Total</b>   | <b>684.95</b>             | <b>101.74</b>                  | <b>47.09</b>                     | <b>833.78</b>          |
| <b>Deferred tax assets for deductible temporary differences on:</b>  |                           |                                |                                  |                        |
| Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961 | 2.41                      | 2.33                           | -                                | 4.74                   |
| Provision for employee benefits  | 2.06                      | 0.73                           | (0.07)                           | 2.72                   |
| Provision for impairment allowance   | 6.67                      | (0.13)                         | -                                | 6.54                   |
| <b>Total</b>   | <b>11.14</b>              | <b>2.93</b>                    | <b>(0.07)</b>                    | <b>14.00</b>           |
| <b>Deferred tax liabilities (net)</b>  | <b>673.81</b>             | <b>98.81</b>                   | <b>47.16</b>                     | <b>819.78</b>          |

Note:

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

13 Other non-financial liabilities

Statutory dues

|                | As at<br>31 March 2021 | As at<br>31 March 2020 |
|----------------|------------------------|------------------------|
| Statutory dues | 4.63                   | 5.73                   |
|                | <b>4.63</b>            | <b>5.73</b>            |

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

|   | As at<br>31 March 2021 |                 | As at<br>31 March 2020 |                 |
|---|------------------------|-----------------|------------------------|-----------------|
|   | Number                 | Amount          | Number                 | Amount          |
| <b>14 Equity share capital</b>                    |                        |                 |                        |                 |
| <b>Authorized share capital</b>                   |                        |                 |                        |                 |
| Equity shares of ₹ 100 each                       | 1,00,000               | 100.00          | 1,00,000               | 100.00          |
| Preference shares of ₹ 100 each                   | 12,00,000              | 1,200.00        | 12,00,000              | 1,200.00        |
|   |                        | <u>1,300.00</u> |                        | <u>1,300.00</u> |
| <b>Issued, subscribed and fully paid-up</b>       |                        |                 |                        |                 |
| Equity shares of ₹ 100 each                       | 56,000                 | 56.00           | 56,000                 | 56.00           |
| Preference Shares of ₹ 100 each                   | 10,38,960              | 1,038.96        | 10,38,960              | 1,038.96        |
|   |                        | <u>1,094.96</u> |                        | <u>1,094.96</u> |
| <b>(a) Reconciliation of equity share capital</b> |                        |                 |                        |                 |
| <b>Equity Shares</b>                              |                        |                 |                        |                 |
| Balance at the beginning of the year              | 56,000                 | 56.00           | 56,000                 | 56.00           |
| Add: Shares issued during the year                | -                      | -               | -                      | -               |
| Balance at the end of the year                    | <u>56,000</u>          | <u>56.00</u>    | <u>56,000</u>          | <u>56.00</u>    |
| <b>Preference Shares</b>                          |                        |                 |                        |                 |
| Balance at the beginning of the year              | 10,38,960              | 1,038.96        | 10,38,960              | 1,038.96        |
| Add: Shares issued during the year                | -                      | -               | -                      | -               |
| Balance at the end of the year                    | <u>10,38,960</u>       | <u>1,038.96</u> | <u>10,38,960</u>       | <u>1,038.96</u> |

**(b) Terms and rights attached to equity shares**

**Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 100 per share and confer similar right as to dividend and voting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has only one class of Non-cumulative participating compulsorily convertible preference shares having a face value of ₹ 100 per share. The preference shares carries a preferential right to receive a dividend of 8% in case of payment of dividend to equity shareholders and shall stand increase to the rate of dividend paid to equity share holders subject to a maximum of 12%. The preference shares shall be compulsorily convertible at par after a period of 20 years from the date of allotment being 13 November 2013 or earlier on such date as may be fixed by the Board of Directors. The preference shares shall have, on winding up, a preferential right to the repayment of capital paid up there on in preference to the equity share, but shall not have any such right to participate in the surplus, if remaining, after payment of entire capital.

**(c) Details of shareholders holding more than 5% shares in the Company:**

|  | As at<br>31 March 2021 |            | As at<br>31 March 2020 |            |
|--|------------------------|------------|------------------------|------------|
|  | Number                 | Percentage | Number                 | Percentage |
| <b>Equity shares of ₹ 100 each</b>     |                        |            |                        |            |
| M.B. Commercial Co. Limited            | 3,600                  | 6.43%      | 3,600                  | 6.43%      |
| Placid Limited                         | 18,600                 | 33.21%     | 18,600                 | 33.21%     |
| The General Investment Company Limited | 10,440                 | 18.64%     | 10,440                 | 18.64%     |
| The Kishore Trading Company Limited    | 8,760                  | 15.64%     | 8,760                  | 15.64%     |
| <b>Preference shares of ₹ 100 each</b> |                        |            |                        |            |
| Kiran Vyapar Limited (Holding Company) | 10,38,960              | 100.00%    | 10,38,960              | 100.00%    |

(d) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

|                            | As at<br>31 March 2021 | As at<br>31 March 2020 |
|----------------------------|------------------------|------------------------|
| <b>15 Other equity</b>     |                        |                        |
| General reserve            | 284.57                 | 284.57                 |
| Securities premium         | 6,961.03               | 6,961.03               |
| Statutory reserves         | 521.67                 | 463.78                 |
| Retained earnings          | 1,258.37               | 1,026.62               |
| Other comprehensive income | 3,751.26               | 3,537.10               |
|                            | <u>12,776.90</u>       | <u>12,273.10</u>       |

**(a) Description of nature and purpose of each reserve:**

**Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

**General reserve**

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Statutory reserve**

The Company is required to create a reserve in accordance with the provisions of Section 451C of the Reserve Bank of India Act, 1934. Accordingly 20% of the profits after tax for the year is transferred to this reserve at the end of every reporting period.

**Other comprehensive income**

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off, if any.

*(This space has been intentionally left blank.)*

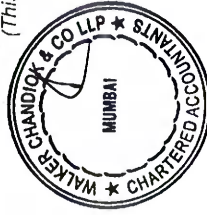


Shree Krishna Agency Limited  
 Summary of significant accounting policies and other explanatory information  
 (All amounts in ₹ lakhs, unless otherwise stated)

16 Interest Income

|  | Year ended 31 March 2021                               |  |   | Year ended 31 March 2020 |  |  |   |        |
|--|--|--|---|--------------------------|--|--|---|--------|
|  | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | On Financial Assets measured at fair value through profit or loss | Total                    | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | On Financial Assets measured at fair value through profit or loss | Total  |
| (a) Financials assets measured at amortised cost | -  | 580.34   | -   | 580.34                   | -  | 612.44   | -   | 612.44 |
| Interest on loans                                | -  | 580.34   | -   | 580.34                   | -  | 612.44   | -   | 612.44 |

(This space has been intentionally left blank.)





**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ lakhs, unless otherwise stated)

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| <b>17 Dividend Income</b>  |                             |                             |
| Dividend income on investments   | 3.14                        | 388.44                      |
|  | <u>3.14</u>                 | <u>388.44</u>               |
| <b>18 Net gain / (loss) on fair value changes</b>  |                             |                             |
| <b>(a) Net gain/(loss) on financial instruments at fair value through profit or loss</b> |                             |                             |
| (i) on trading portfolio (held for sale):  |                             |                             |
| - Investments  | 25.73                       | (43.10)                     |
| (ii) on financial instruments designated at fair value through profit or loss:           |                             |                             |
| - mutual funds   | 178.87                      | (413.56)                    |
|  | <u>204.60</u>               | <u>(456.66)</u>             |
| <b>Fair value changes:</b>   |                             |                             |
| - Realised   | 203.95                      | (24.63)                     |
| - Unrealised   | 0.65                        | (432.03)                    |
|  | <u>204.60</u>               | <u>(456.66)</u>             |
| <b>19 Other income</b>   |                             |                             |
| Rental income  | 2.15                        | 2.05                        |
| Interest on income tax refund  | 9.92                        | -                           |
| Liability written back   | 0.18                        | -                           |
| Miscellaneous Income   | 0.03                        | -                           |
|  | <u>12.28</u>                | <u>2.05</u>                 |

(This space has been intentionally left blank.)



Shree Krishna Agency Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

|   | Year ended 31 March 2021   |   |               | Year ended 31 March 2020   |   |               |
|---|--|---|---------------|--|---|---------------|
|   | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost | Total         | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost | Total         |
| <b>20 Finance costs</b>                       |  |   |               |  |   |               |
| - Interest on borrowings                      | 85.26  | -   | 85.26         | 70.77  | -   | 70.77         |
|   | <u>85.26</u>   | <u>-</u>  | <u>85.26</u>  | <u>70.77</u>   | <u>-</u>  | <u>70.77</u>  |
| <b>21 Impairment on financial instruments</b> |  |   |               |  |   |               |
| Loans   | (1.45)   | -   | (1.45)        | (1.81)   | -   | (1.81)        |
|   | <u>(1.45)</u>  | <u>-</u>  | <u>(1.45)</u> | <u>(1.81)</u>  | <u>-</u>  | <u>(1.81)</u> |

Note:

The Company has categorised all its financial assets at low credit risks on account of no past trends of defaults by any parties. Therefore, the provision for expected credit loss has been made as per the Reserve Bank of India's prudential norms at 0.4% of the loan assets (which are not credit impaired).

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

|                                      | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--------------------------------------|-----------------------------|-----------------------------|
| <b>22 Employee benefits expenses</b> |                             |                             |
| Salaries and wages                   | 132.80                      | 138.44                      |
| Staff welfare expenses               | 1.27                        | 0.56                        |
|                                      | <b>134.07</b>               | <b>139.00</b>               |

**(a) Defined benefits plans - Gratuity (unfunded)**

Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method.

Aforesaid defined benefit plans typically expose the Company to actuarial risks such as pay as you go risk, salary risk, investment risk and longevity risk.

|                    |   |
|--------------------|---|
| Pay as you go risk | For unfunded schemes, financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme. |
| Salary risk        | The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.  |
| Investment risk    | The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.  |
| Longevity risk     | The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality plan of the participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.            |

The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the Balance Sheet for the respective plans:

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| <b>(i) Change in projected benefit obligation</b>                              |                             |                             |
| Projected benefit obligation at the beginning of the year                      | 1.77                        | 0.88                        |
| Current service cost   | 0.61                        | 0.57                        |
| Interest cost  | 0.12                        | 0.07                        |
| Actuarial (gain)/loss arising from assumption changes                          | (0.13)                      | 0.32                        |
| Actuarial (gain)/loss arising from experience adjustments                      | (0.14)                      | (0.07)                      |
| Benefits paid  | -                           | -                           |
| <b>Projected benefit obligation at the end of the year</b>                     | <b>2.23</b>                 | <b>1.77</b>                 |
| <b>(ii) Components of net cost charged to the Statement of Profit and Loss</b> |                             |                             |
| <b>Employee benefits expense:</b>  |                             |                             |
| - Current service costs  | 0.61                        | 0.57                        |
| - Defined benefit costs recognized Statement of Profit and Loss                | -                           | -                           |
| <b>Finance costs</b>   |                             |                             |
| - Interest costs   | 0.12                        | 0.07                        |
| - Interest income  | -                           | -                           |
| <b>Net impact on profit before tax</b>   | <b>0.73</b>                 | <b>0.64</b>                 |



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ lakhs, unless otherwise stated)

|   | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|---|-----------------------------|-----------------------------|
| <b>22 Employee benefits expenses (cont'd)</b>                                   |                             |                             |
| <b>(iii) Components of net cost charged taken to Other comprehensive income</b> |                             |                             |
| Actuarial (gain)/loss arising from assumption changes                           | (0.13)                      | 0.32                        |
| Actuarial (gain)/loss arising from experience adjustments                       | (0.14)                      | (0.07)                      |
|   | <b>-0.27</b>                | <b>0.25</b>                 |
| <b>(iv) Key actuarial assumptions</b>   |                             |                             |
| Discount rate   | 6.97%                       | 6.67%                       |
| Salary growth rate  | 8.00%                       | 8.00%                       |
| Retirement age  | 58 years                    | 58 years                    |
|   | <b>As at</b>                |                             |
|   | <b>31 March 2021</b>        | <b>31 March 2020</b>        |
| <b>Mortality rate:</b>  |                             |                             |
| Less than 30 years  | 2%                          | 2%                          |
| 31-44 years   | 2%                          | 2%                          |
| 45 years and above  | 2%                          | 2%                          |

**(v) Sensitivity analysis**

A quantitative sensitivity analysis for significant assumption is as shown below:

| Particulars                     | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|---------------------------------|-----------------------------|-----------------------------|
| DBO with discount rate + 1%     | 1.87                        | 1.46                        |
| DBO with discount rate - 1%     | 2.69                        | 2.17                        |
| DBO with + 1% salary escalation | 2.68                        | 2.16                        |
| DBO with - 1% salary escalation | 1.87                        | 1.46                        |
| DBO with + 50% withdrawal rate  | 2.17                        | 1.70                        |
| DBO with - 50% withdrawal rate  | 2.31                        | 1.85                        |
| DBO with + 10% mortality rate   | 2.23                        | 1.77                        |
| DBO with - 10% mortality rate   | 2.23                        | 1.77                        |

**Methods and assumptions used in preparing sensitivity analysis and their limitations:**

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

**(vi) Maturity analysis of the benefit payments:**

Weighted average duration of the gratuity plan is 18.52 years (31 March 2020 - 19.85 years). Expected benefits payments for each such plans over the years is given in the table below:

| Particulars        | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--------------------|------------------------|------------------------|
| Year 1             | 0.02                   | 0.02                   |
| 2 to 5 years       | 0.16                   | 0.11                   |
| 6 to 10 years      | 0.39                   | 0.24                   |
| More than 10 years | 8.68                   | 7.26                   |

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ lakhs, unless otherwise stated)

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| <b>23 Depreciation expense</b>                               |                             |                             |
| Depreciation on property, plant and equipment (refer note 7) | 20.63                       | 29.81                       |
|  | <u>20.63</u>                | <u>29.81</u>                |
| <b>24 Other expenses</b>                                     |                             |                             |
| Rent   | 0.06                        | 0.07                        |
| Rates and taxes  | 4.79                        | 2.00                        |
| Legal and professional                                       | 38.86                       | 28.04                       |
| Travelling and conveyance                                    | 1.68                        | 1.02                        |
| Printing and stationery                                      | 0.27                        | 0.07                        |
| Insurance  | 1.85                        | 1.82                        |
| Expenses written off   | 0.15                        | -                           |
| Miscellaneous expense  | 8.61                        | 8.88                        |
| Payment to auditors:   |                             |                             |
| - Statutory audit  | 2.95                        | 3.12                        |
| - Others   | 0.65                        | 0.74                        |
|  | <u>59.87</u>                | <u>45.76</u>                |
| <b>25 Tax expense</b>  |                             |                             |
| Current tax  | 100.00                      | 100.00                      |
| Deferred tax   | 98.81                       | (103.89)                    |
| Prior year taxes   | 13.73                       | -                           |
|  | <u>212.54</u>               | <u>(3.89)</u>               |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.17% for financial year ended 31 March 2020 and 31 March 2019 and the reported tax expense in profit or loss are as follows:

(a) Reconciliation of income tax provision to the amount computed by applying the statutory tax rate:

|  |               |               |
|--|---------------|---------------|
| Profit before tax  | 501.98        | 262.74        |
| Enacted tax rates in India (%)   | 25.17%        | 25.17%        |
| Computed tax expense   | 126.34        | 66.13         |
| Prior year tax   | 13.73         | -             |
| Effect of non-deductible expenses  | -             | 19.05         |
| Effect of income exempted from tax   | -             | (97.76)       |
| Adjustment of brought forward losses   | -6.16         | -             |
| Reversal of deferred tax on unrealised income of mutual funds held for trading | 104.51        | -             |
| Difference in rate of short term capital gains                                 | -14.49        | -             |
| Other adjustments  | (11.39)       | 8.69          |
| <b>Total income tax expense as per the Statement of Profit and Loss</b>        | <u>212.54</u> | <u>(3.89)</u> |

(b) Details of income tax balances

|                                      |              |               |
|--------------------------------------|--------------|---------------|
| <b>Current tax liabilities:</b>      |              |               |
| Opening balance                      | 8.76         | -             |
| Less: Advance tax paid               | (55.00)      | (30.00)       |
| Less: Taxes deducted at source       | (43.84)      | (61.24)       |
| Add: Provision for tax               | 100.00       | 100.00        |
| Add: Provision for earlier years     | 1.04         | -             |
|                                      | <u>10.96</u> | <u>8.76</u>   |
| <b>Current tax assets:</b>           |              |               |
| Opening balance                      | 117.11       | 113.31        |
| Less: Refund order issued            | (104.42)     | -             |
| Less: Tax Adjustment of Earlier Year | (12.69)      | -             |
| Add: Tax paid of earlier year        | -            | 3.80          |
|                                      | <u>0.00</u>  | <u>117.11</u> |



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ lakhs, unless otherwise stated)

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| <b>26 Earnings per equity share (EPS)</b>  |                             |                             |
| Not profit attributable to equity shareholders                                     |                             |                             |
| Net profit attributable to equity shareholders (in ₹ lacs)                         | 289.44                      | 266.63                      |
| Nominal value of equity share (₹)  | 10.00                       | 10.00                       |
| Weighted average number of equity shares outstanding during the year               | 56,000                      | 56,000                      |
| Weighted average number of potential equity shares on account of Preference Shares | 10,38,960                   | 10,38,960                   |
| Weighted average number of shares outstanding for diluted EPS                      | 10,94,960                   | 10,94,960                   |
| Basic earnings per share (₹)   | 516.86                      | 476.13                      |
| Diluted earnings per share (₹)   | 26.43                       | 24.35                       |

*(This space has been intentionally left blank)*



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**27 Related party disclosures**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2021.

(a) List of related parties

(i) Holding Company

**Name of the related party**

Kiran Vyapar Limited

(ii) Parties whose control exists

**Name of the related party**

**% of holding as on**

**31-Mar-21**

**31-Mar-20**

**Subsidiaries (\*)**

Amitpay Greenfield Private Limited

99.53%

99.53%

Divyay Greeneries Private Limited

100.00%

100.00%

Sarvay Greenhub Private Limited

99.75%

99.75%

**Associates (\*)**

LNB Renewable Energy Private Limited

29.32%

29.32%

(\*) All the subsidiary and associate Companies have been incorporated in India.

(iii) Entities under common control

**Name of the related party**

Magma Realty Private Limited (upto 16 March 2021)

Satyawathe Greeneries Private Limited

Uttaray Greenpark Private Limited

Navjyoti Commodity Management Services Limited

Placid Limited

Anantay Greenview Private Limited

(iv) Enterprises over which KMP or relatives of KMP exercise control/significant influence:

**Name of the related party**

Amalgamated Development Limited

Akruray Greenhub Private Limited

Apurva Export Private Limited

Dakshay Greeneries Private Limited

Dakshinay Greenpark Private Limited

Dharay Greenline Private Limited

Dishay Greenhub Private Limited

Jagatguru Greenpark Private Limited

Janardan Wind Energy Private Limited

Kapilay Greeneries Private Limited

LNB Real Estate Private Limited

Maharaja Shree Umaid Mills Limited

Manifold Agri crops Private Limited

M B Commercials Co. Limited

Navjyoti Commodity Management Services Limited

Palimarwar Solar House Private Limited

Palimarwar Solar Projects Private Limited

Parmath Wind Energy Private Limited

Placid Limited

Raghabay Greenview Private Limited

Sidhidata Solar Urja Limited

Shreeshay Greenhub Private Limited

Sukhday Greenview Private Limited

Subhprada Greeneries Private Limited

Sulabhay Greenlake Private Limited

Sundaray Greencity Private Limited

The General Investment Co. Limited

The Peria Karamalai Tea & Produce Co Limited

The Kishore Trading Co Limited

Virochanaye Greenfield Private Limited

Winsome Park Private Limited

Yasheshwi Greenhub Private Limited



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**27 Related party disclosures (cont'd)**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2021

**(a) List of related parties (cont'd)**

**(v) Key management personnel**

| <u>Name of the related party</u> | <u>Designation</u>      |
|----------------------------------|-------------------------|
| Lakshmi Niwas Bangur             | Managing Director       |
| Brij Mohan Sharma                | Director                |
| Ramesh Chandra Sharma            | Director                |
| Surya Prakash Pasari             | Director                |
| Ramavtar Holani                  | Director                |
| Pradip Kumar Ojha                | Company Secretary       |
| Vikash Rathi                     | Chief Financial Officer |

**(vi) Relative of key management personnel**

| <u>Name of the related party</u> | <u>Nature</u>        |
|----------------------------------|----------------------|
| Alka Devi Bangur                 | Relative of Director |
| Yogesh Bangur                    | Relative of Director |
| Shreyash Bangur                  | Relative of Director |

**(b) Transactions with related parties**

| <u>Name of the party/Nature of transaction</u>   | <u>Year ended<br/>31 March 2021</u> | <u>Year ended<br/>31 March 2020</u> |
|--|-------------------------------------|-------------------------------------|
| <b><u>Holding Company:</u></b>   |                                     |                                     |
| Loan taken   | 35.00                               | 225.00                              |
| Loan taken repaid  | 35.00                               | 225.00                              |
| Interest expenses on loan taken  | 0.53                                | 2.19                                |
| Dividend received  | 2.27                                | 7.58                                |
| Reimbursement of expenses  | 4.55                                | 6.19                                |
| <b><u>Entities under common control:</u></b>   |                                     |                                     |
| Loan taken   | 270.00                              | 340.00                              |
| Loan taken repaid  | 270.00                              | 340.00                              |
| Interest expenses on loan taken  | 17.45                               | 20.30                               |
| Loans given  | 2,435.00                            | 2,575.00                            |
| Loan given recovered   | 1,785.00                            | 1,425.00                            |
| Interest income on loans given   | 177.85                              | 122.21                              |
| Rent Received  | 0.10                                | -                                   |
| <b><u>Enterprises over which KMP or relatives of KMP exercise control/significant influence:</u></b> |                                     |                                     |
| Loan taken   | 400.00                              | 1,258.00                            |
| Loan taken repaid  | 1,250.00                            | 860.00                              |
| Interest expenses on loan taken  | 62.88                               | 41.77                               |
| Loans given  | 458.50                              | 4,466.50                            |
| Loan given recovered   | 4,387.00                            | 6,075.58                            |
| Interest income on loans given   | 345.90                              | 435.86                              |
| Rental Income  | 0.59                                | 0.79                                |
| Rent expenses  | 0.06                                | 0.07                                |
| Electric Expenses  | 0.75                                | -                                   |
| Investment in equity shares  | 1.71                                | -                                   |
| Dividend received  | 0.27                                | 0.40                                |
| <b><u>Subsidiary Companies:</u></b>  |                                     |                                     |
| Investment in equity shares  | 0.00                                | 225.00                              |
| Loans given  | 1.00                                | -                                   |
| Loan given recovered   | 1.00                                | -                                   |
| Interest income on loans given   | 0.02                                | -                                   |
| Rental Income  | 0.10                                | -                                   |
| <b><u>Associates</u></b>   |                                     |                                     |
| Loans given  | 1,172.00                            | -                                   |
| Loan given recovered   | 734.00                              | -                                   |
| Interest income on loans given   | 4.75                                | -                                   |
| Rental Income  | 0.09                                | -                                   |
| <b><u>Key management personnel</u></b>   |                                     |                                     |
| Sitting fees   | 0.21                                | 0.20                                |
| Remuneration   | 106.98                              | 106.48                              |





**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**27 Related party disclosures (cont'd)**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2021

**(c) Balances of related parties**

| Name of the party/Nature of balance   | As at         | As at         |
|---|---------------|---------------|
|   | 31 March 2021 | 31 March 2020 |
| <b>Enterprises over which KMP or relatives of KMP exercise control/significant influence:</b> |               |               |
| Loans given (including interest accrued)  | 5,057.66      | 5,419.42      |
| Loan taken (including accrued interest)   | -             | 850.00        |

*(This space has been intentionally left blank)*



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**28 Fair value measurement**

**(a) Category wise classification of financial instruments**

| Particulars                                | Note | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------|------------------------|------------------------|
| <b>A. Financial assets:</b>                |      |                        |                        |
| <b>Carried at amortised cost</b>           |      |                        |                        |
| Cash and cash equivalents                  | 3    | 554.49                 | 130.59                 |
| Loans                                      | 4    | 5,593.29               | 5,952.79               |
| Investments in subsidiaries                | 5    | 59.14                  | 59.14                  |
| Other financial assets                     | 6    | 49.95                  | 8.89                   |
|  |      | <u>6,257.17</u>        | <u>6,151.71</u>        |
| <b>Carried at cost:</b>                    |      |                        |                        |
| Investments in subsidiaries and associates | 5    | 3,346.00               | 3,346.00               |
|  |      | <u>3,346.00</u>        | <u>3,346.00</u>        |
| <b>Carried at FVTPL</b>                    |      |                        |                        |
| Investments in mutual funds                | 5    | 200.34                 | 584.73                 |
|  |      | <u>200.34</u>          | <u>584.73</u>          |
| <b>Carried at FVOCI</b>                    |      |                        |                        |
| Investments in equity instruments          | 5    | 4,924.32               | 4,719.32               |
| Investments in preference instruments      | 5    | 0.06                   | -                      |
|  |      | <u>4,924.38</u>        | <u>4,719.32</u>        |
|  |      | <u>14,727.89</u>       | <u>14,801.76</u>       |
| <b>B. Financial liabilities</b>            |      |                        |                        |
| <b>Measured at amortised cost</b>          |      |                        |                        |
| Borrowings (other than debt securities)    | 9    | 35.60                  | 911.39                 |
| Other financial liabilities                | 10   | 31.72                  | 17.26                  |
|  |      | <u>67.32</u>           | <u>928.65</u>          |

**(b) Fair value hierarchy**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

| Particulars                                     | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Level 1 (Quoted prices in active market)</b> |                        |                        |
| <b>Financial assets measured at FVOCI</b>       |                        |                        |
| Investments in quoted equity instruments        | 565.28                 | 338.31                 |
| <b>Financial assets measured at FVTPL</b>       |                        |                        |
| Investments in mutual funds                     | 200.34                 | -                      |
| <b>Level 3 (Significant observable inputs)</b>  |                        |                        |
| <b>Financial assets measured at FVOCI</b>       |                        |                        |
| Investments in unquoted equity instruments      | 4,359.04               | 4,381.01               |
| Investments in preference instruments           | 0.06                   | -                      |
|   | <u>5,124.72</u>        | <u>4,719.32</u>        |

**(c) Fair value of assets and liabilities measured at cost/amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, bank deposits, loans, trade receivables, and other financial liabilities approximate their carrying amounts of these instruments.

**(d) Valuation process and technique used to determine fair value for investments valued using significant unobservable inputs (level 3)**

Specific valuation techniques used to value financial instruments include:

(i) Investments in unquoted equity and preference instruments of operational entities are valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate.

(This space has been intentionally left blank)



Shree Krishna Agency Limited  
 Summary of significant accounting policies and other explanatory information  
 (All amounts in ₹ lakhs, unless otherwise stated)

29 Maturity analysis of assets and liabilities

| Particulars                                 | As at 31 March 2021 |                    | As at 31 March 2020 |                    |
|---|---------------------|--------------------|---------------------|--------------------|
|   | Within<br>12 months | After<br>12 months | Within<br>12 months | After<br>12 months |
| <b>ASSETS</b>                               |                     |                    |                     |                    |
| <b>Financial Assets</b>                     |                     |                    |                     |                    |
| (a) Cash and cash equivalents               | 554.49              | -                  | 130.59              | -                  |
| (b) Loans (*)                               | 5,589.79            | 3.50               | 3,499.29            | 2,453.50           |
| (c) Investments                             | 200.34              | 8,329.82           | 584.73              | 8,124.76           |
| (d) Other financial assets                  | 49.95               | -                  | 8.89                | -                  |
|   | <u>6,394.57</u>     | <u>8,333.32</u>    | <u>4,223.50</u>     | <u>10,578.26</u>   |
| <b>Non-financial Assets</b>                 |                     |                    |                     |                    |
| (a) Current tax assets (net)                | -                   | -                  | 117.11              | -                  |
| (c) Property, plant and equipment           | -                   | 46.72              | -                   | 65.74              |
| (d) Other non-financial assets              | -                   | 2.17               | -                   | 2.17               |
|   | <u>-</u>            | <u>48.89</u>       | <u>117.11</u>       | <u>67.91</u>       |
| <b>Total Assets</b>                         | <u>6,394.57</u>     | <u>8,382.21</u>    | <u>4,340.61</u>     | <u>10,646.17</u>   |
| <b>LIABILITIES</b>                          |                     |                    |                     |                    |
| <b>Financial Liabilities</b>                |                     |                    |                     |                    |
| (a) Borrowings (other than debt securities) | 28.16               | 7.44               | 875.79              | 35.60              |
| (b) Other financial liabilities             | 30.52               | 1.20               | 16.06               | 1.20               |
|   | <u>58.68</u>        | <u>8.64</u>        | <u>891.85</u>       | <u>36.80</u>       |
| <b>Non-Financial Liabilities</b>            |                     |                    |                     |                    |
| (a) Current tax liabilities (net)           | 10.96               | -                  | 8.76                | -                  |
| (b) Provisions                              | -                   | 2.23               | -                   | 1.77               |
| (c) Deferred tax liabilities (net)          | -                   | 819.78             | -                   | 673.81             |
| (d) Other non-financial liabilities         | -                   | 4.63               | -                   | 5.73               |
|   | <u>10.96</u>        | <u>826.64</u>      | <u>8.76</u>         | <u>681.31</u>      |
| <b>Total liabilities</b>                    | <u>69.64</u>        | <u>835.28</u>      | <u>900.61</u>       | <u>718.11</u>      |
| <b>Net equity</b>                           | <u>6,324.93</u>     | <u>7,546.93</u>    | <u>3,440.00</u>     | <u>9,928.06</u>    |

(\*) Loans given above is gross of provision.

(This space has been intentionally left blank.)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**30 Financial risk management**

The Company is a Non - Banking Financial Company - Non Deposit taking - Non - Systemically Important (NBFC - ND - NSI) registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financial products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies needs prior approval of its Board of Directors.

**(a) Credit risk**

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**Financial instruments**

Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments, particularly Government and PSU Bonds which has the least risk of default. The Company lends to borrowers with a good credit score and generally most of the lending is secured against assets pledged by the borrower in favour of the Company. These investments and loans are reviewed by the Board of Directors on a regular basis.

**(b) Market risk:**

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

**a. Borrowings**

| Particulars   | As at         | As at         |
|---|---------------|---------------|
|   | 31 March 2021 | 31 March 2020 |
| Borrowings at variable interest rate                      | -             | -             |
| Borrowings at fixed interest rate                         | 35.60         | 911.39        |
| <b>Total borrowings</b>                                   | <b>35.60</b>  | <b>911.39</b> |
| <b>Percentage of borrowings at variable interest rate</b> | <b>0.00%</b>  | <b>0.00%</b>  |

**(iii) Price risk**

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are valued using quoted prices in active markets (Level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

| Particulars   | Carrying value as at |               |
|---|----------------------|---------------|
|   | 31 March 2021        | 31 March 2020 |
| Investments carried at FVTPL or FVOCI valued using quoted prices in active market | 765.62               | 338.31        |

| Particulars   | Sensitivity analysis on total comprehensive income upon fluctuation of market prices |                 |
|---|--|-----------------|
|   | Increase by 10%  | Decrease by 10% |
| Impact on total comprehensive income for year ended 31 March 2021 | 76.56  | (76.56)         |
| Impact on total comprehensive income for year ended 31 March 2020 | 33.83  | (33.83)         |

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ lakhs, unless otherwise stated)

**30 Financial risk management (cont'd)**

**(c) Liquidity risk:**

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Company is currently having a mix of both short-term and long-term investments. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

| Particulars                             | Less than<br>1 year | Between<br>1 to 5 years | Over<br>5 years | Total         |
|---|---------------------|-------------------------|-----------------|---------------|
| <b>As at 31 March 2021</b>              |                     |                         |                 |               |
| Borrowings (other than debt securities) | 28.16               | 7.44                    | -               | 35.60         |
| Other financial liabilities             | 31.72               | -                       | -               | 31.72         |
|   | <b>59.88</b>        | <b>7.44</b>             | <b>-</b>        | <b>67.32</b>  |
| <b>As at 31 March 2020</b>              |                     |                         |                 |               |
| Borrowings (other than debt securities) | 875.79              | 35.60                   | -               | 911.39        |
| Other financial liabilities             | 17.26               | -                       | -               | 17.26         |
|   | <b>893.05</b>       | <b>35.60</b>            | <b>-</b>        | <b>928.65</b> |

**(d) Inflationary risk:**

Inflationary or purchasing power risk refers to the variation in investor returns caused by inflation. It is the risk that results in increase of the prices of goods and services which results in decrease of purchasing power of money, and likely negatively impact the value of investments. The two important sources of inflation are rising costs of production and excess demand for goods and services in relation to their supply. Inflation and interest rate risks are closely related as interest rates generally go up with inflation.

The Company closely monitors the inflation data and analyses the reasons for wide fluctuations thereof and its effect on various sectors and businesses. The main objective is to avoid inflationary risk and accordingly invest in securities and debt instruments that provides higher returns as compared to the inflation in long-term.

**31 Capital management**

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company.

| Particulars                     | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---------------------------------|------------------------|------------------------|
| Borrowings                      | 35.60                  | 911.39                 |
| Less: Cash and cash equivalents | 554.49                 | 130.59                 |
| <b>Adjusted net debt</b>        | <b>-518.89</b>         | <b>780.80</b>          |
| Total equity (*)                | 13,871.86              | 13,368.06              |
| <b>Net debt to equity ratio</b> | <b>(0.04)</b>          | <b>0.06</b>            |

(\*) Equity includes capital and all reserves of the Company that are managed as capital.

(This space has been intentionally left blank)



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ crores, unless otherwise stated)

**32 Additional disclosures pursuant to the RBI guidelines and notifications:**

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>(i) Capital</b>  |                        |                        |
| Capital to Risk/Weighted Assets Ratio (CRAR) (%)  | 130.21%                | 40.58%                 |
| CRAR-Tier I Capital (%)   | 128.95%                | 39.37%                 |
| CRAR-Tier II Capital (%)  | 1.26%                  | 1.21%                  |
| Amount of subordinated debt raised as Tier-II Capital   | -                      | -                      |
| Amount raised by issue of Perpetual Debt Instruments  | -                      | -                      |
| <b>(ii) Investments</b>   |                        |                        |
| <b>A. Value of Investments</b>  |                        |                        |
| Gross Value of Investments:   |                        |                        |
| a) In India   | 85.30                  | 87.09                  |
| b) Outside India  | -                      | -                      |
| Provisions for Depreciation:  |                        |                        |
| a) In India   | -                      | -                      |
| b) Outside India  | -                      | -                      |
| <b>Net Value of Investments</b>   |                        |                        |
| a) In India   | 85.30                  | 87.09                  |
| b) Outside India  | -                      | -                      |
| <b>B. Movement of provisions held towards depreclaton on investments</b>  |                        |                        |
| Opening Balance   | -                      | -                      |
| Add: Provisions made during the year  | -                      | -                      |
| Less: Write-off/Write-back of excess provisions during the year   | -                      | -                      |
| Closing Balance   | -                      | -                      |
| <b>(iii) Derivatives</b>  |                        |                        |
| The Company does not have any derivatives exposure in the current and previous year.  |                        |                        |
| <b>(iv) Disclosures relating to Securitisation</b>  |                        |                        |
| The Company does not have any securitisation transactions in the current and previous year.   |                        |                        |
| <b>(v) Asset Liability Management</b>   |                        |                        |
| Disclosures relating to maturity pattern of certain items of assets and liabilities are given in note 33.   |                        |                        |
| <b>(vi) Exposures</b>   |                        |                        |
| <b>A) Exposure to Real Estate Sector</b>  |                        |                        |
| <b>Category</b>   |                        |                        |
| <b>a) Direct Exposure</b>   |                        |                        |
| <b>i) Residential Mortgages-</b>  |                        |                        |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented  | -                      | -                      |
| <b>ii) Commercial Real Estate</b>   |                        |                        |
| Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits | -                      | -                      |
| <b>iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -</b>   |                        |                        |
| a) Residential  | -                      | -                      |
| b) Commercial Real Estate   | -                      | -                      |
| <b>Total exposure to Real estate sector</b>   | -                      | -                      |

*This space has been intentionally left blank*



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ crores, unless otherwise stated)

**32 Additional disclosures pursuant to the RBI guidelines and notifications: (cont'd)**

|  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------------------------|------------------------|
| <b>B) Exposure to Capital Market</b>   |                        |                        |
| i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;  | 5.65                   | 3.38                   |
| ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;   | -                      | -                      |
| iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;   | -                      | -                      |
| iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances; | -                      | -                      |
| v) secured and unsecured advances to stockbrokers and guarantors issued on behalf of stockbrokers and market makers;   | -                      | -                      |
| vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;  | -                      | -                      |
| vii) bridge loans to companies against expected equity flows / issues;   | -                      | -                      |
| viii) all exposures to Venture Capital Funds (both registered and unregistered)  | -                      | -                      |
| <b>Total Exposure to Capital Market</b>  | <b>5.65</b>            | <b>3.38</b>            |

**C) Details of financing of parent company products**

The Company does not have a parent company and accordingly no disclosures required.

**D) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC**

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

**E) Unsecured Advances**

The Company does not have any unsecured advances for which intangible securities such as charge over rights, license, authority, etc. has been taken.

**(vii) Miscellaneous**

**A) Registration obtained from other financial sector regulators**

The Company does not have any registrations obtained from other financial sector regulators.

**B) Disclosure of Penalties imposed by RBI and other regulators**

There have been no penalties imposed on the Company by RBI or other financial sector regulators during the current and previous year.

**C) Related Party Transactions**

Details of all material related party transactions are disclosed in note 27.

**D) Ratings assigned by credit rating agencies and migration of ratings during the year**

The Company has not obtained credit ratings from any agencies during the year.

**E) Remuneration of Directors**

Details relating to remuneration of directors are disclosed in note 27.

**F) Management**

Details relating to management discussion and analysis forms part of the annual report.

**(viii) Additional Disclosures**

**A) Provisions and Contingencies**

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

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| Provisions for depreciation on Investment                        | -                           | -                           |
| Provision towards NPA  | -                           | -                           |
| Provision made towards Income tax                                | 1.00                        | 1.00                        |
| Other Provision and Contingencies (employee benefits)            | 0.01                        | 0.01                        |
| Provision for loan losses or impairment on financial instruments | (0.01)                      | (0.02)                      |

**B) Draw Down from Reserves**

There have been no instances of draw down from reserves by the Company during the current and previous year.

*This space has been intentionally left blank*



**Shree Krishna Agency Limited**  
**Summary of significant accounting policies and other explanatory information**  
 (All amounts in ₹ crores, unless otherwise stated)

**32 Additional disclosures pursuant to the RBI guidelines and notifications: (cont'd)**

|  | As at<br>31 March 2021                                     | As at<br>31 March 2020 |
|--|--|------------------------|
| <b>(viii) Additional Disclosures (cont'd)</b>  |  |                        |
| <b>C) Concentration of Advances, Exposures and NPAs</b>  |  |                        |
| <b>a) Concentration of Advances</b>  |  |                        |
| Total Advances to twenty largest borrowers   | 56.08  | 59.71                  |
| Percentage of Advances to twenty largest borrowers to Total Advances                                       | 99.87%   | 99.85%                 |
| <b>b) Concentration of Exposures</b>   |  |                        |
| Total exposure to twenty largest borrowers/customers   | 94.46  | 97.80                  |
| Percentage of exposures to twenty largest borrowers / customers to Total Exposure                          | 99.88%   | 99.90%                 |
| <b>c) Concentration of NPAs</b>  |  |                        |
| Total exposure to top four NPA accounts  | 0.04   | 0.04                   |
| <b>d) Sector-wise NPAs</b>   |  |                        |
|  | <b>Percentage of NPAs to Total Advances in that sector</b> |                        |
| Agriculture & allied activities  | -  | -                      |
| MSME   | -  | -                      |
| Corporate borrowers  | -  | -                      |
| Services   | -  | -                      |
| Unsecured personal loans   | -  | -                      |
| Auto loans   | -  | -                      |
| Other personal loans   | 0.04   | 0.04                   |
| <b>e) Movement of NPAs</b>   |  |                        |
| i) Net NPAs to Net Advances (%)  | 0.06%  | 0.06%                  |
| ii) Movement of NPAs (Gross)   |  |                        |
| a) Opening Balance   | 0.04   | 0.04                   |
| b) Additions during the year   | -  | -                      |
| c) Reductions during the year  | -  | -                      |
| d) Closing balance   | 0.04   | 0.04                   |
| iii) Movement of Net NPAs  |  |                        |
| a) Opening Balance   | -  | -                      |
| b) Additions during the year   | -  | -                      |
| c) Reductions during the year  | -  | -                      |
| d) Closing balance   | -  | -                      |
| iv) Movement of provisions for NPAs (excluding provisions on standard assets)                              |  |                        |
| a) Opening Balance   | 0.04   | 0.04                   |
| b) Provisions made during the year   | -  | -                      |
| c) Write-off/write-back of excess provisions   | -  | -                      |
| d) Closing balance   | 0.04   | 0.04                   |
| <b>f) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)</b>                          |  |                        |
| The Company did not have any overseas assets during the current and previous year.                         |  |                        |
| <b>g) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)</b> |  |                        |
| The Company did not sponsor any SPVs during the current and previous year.                                 |  |                        |
| <b>(ix) Disclosure of customer complaints</b>  |  |                        |
| a) No. of complaints pending at the beginning of the year  | -  | -                      |
| b) No. of complaints received during the year  | -  | -                      |
| c) No. of complaints redressed during the year   | -  | -                      |
| d) No. of complaints pending at the end of the year  | -  | -                      |

**Note:**

(a) Amounts for the current year and comparative years included above are based on financial statements prepared under Ind AS

*This space has been intentionally left blank*





Shree Krishna Agency Limited  
Summary of significant accounting policies and other explanatory information  
(All amounts in ₹ lakhs, unless otherwise stated)

33 Asset liability management

Maturity pattern of assets and liability as on 31 March 2021:

| Particulars                  | 1 to 7 days | 8 to 14 days | 15 days to 1 month | 1 - 2 months | 2 - 3 months | 3 - 6 months | 6 - 12 months | 1 - 3 years | 3 - 5 years | Over 5 years | Total    |
|------------------------------|-------------|--------------|--------------------|--------------|--------------|--------------|---------------|-------------|-------------|--------------|----------|
| Deposits                     | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |
| Advances                     | 3,628.92    | -            | -                  | -            | 1,050.00     | -            | 865.00        | -           | -           | 3.50         | 5,547.42 |
| Investments                  | 200.34      | -            | -                  | -            | -            | -            | -             | 172.58      | 4,359.09    | 3,798.15     | 8,530.16 |
| Borrowings                   | -           | -            | -                  | 2.27         | 2.29         | 6.96         | 14.39         | 7.44        | -           | -            | 35.60    |
| Foreign Currency assets      | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |
| Foreign Currency liabilities | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |

Maturity pattern of assets and liability as on 31 March 2020:

| Particulars                  | 1 to 7 days | 8 to 14 days | 15 days to 1 month | 1 - 2 months | 2 - 3 months | 3 - 6 months | 6 - 12 months | 1 - 3 years | 3 - 5 years | Over 5 years | Total    |
|------------------------------|-------------|--------------|--------------------|--------------|--------------|--------------|---------------|-------------|-------------|--------------|----------|
| Deposits                     | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |
| Advances                     | 2,669.42    | -            | -                  | -            | 50.00        | -            | 765.00        | 2,450.00    | -           | 3.50         | 5,937.92 |
| Investments                  | 584.73      | -            | -                  | -            | -            | -            | -             | 148.23      | 4,381.00    | 3,595.53     | 8,709.49 |
| Borrowings                   | 850.00      | -            | -                  | 2.06         | 2.08         | 6.37         | 13.19         | 35.60       | -           | -            | 911.39   |
| Foreign Currency assets      | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |
| Foreign Currency liabilities | -           | -            | -                  | -            | -            | -            | -             | -           | -           | -            | -        |

Notes:

1. The above information has been considered as per the Asset Liability Management (ALM) Report compiled by the management and reviewed by the ALM Committee.



(This space has been intentionally left blank)



Shree Krishna Agency Limited  
Summary of significant accounting policies and other explanatory Information  
(All amounts in ₹ lakhs, unless otherwise stated)

34 Disclosures pursuant to Reserve Bank of India notification no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of IndAS by Non-Banking Financial Companies

Asset Classification as per RBI norms for the year ended 31 March 2021

| Asset Classification as per RBI Norms   | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS (*) | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|---|---|---------------------|--|--|
| (A)   | (B)                                    | (C)                                     | (D)   | (E=C-D)             | (F)                                    | (G=D-F)  |
| <b>Performing Assets</b>  |  |   |   |                     |  |  |
| Standard  | Stage 1                                | 5,615.75                                | 22.46   | 5,593.29            | 22.46                                  | -  |
|   | Stage 2                                | -                                       | -   | -                   | -                                      | -  |
| <b>Subtotal (A)</b>   |  | <b>5,615.75</b>                         | <b>22.46</b>  | <b>5,593.29</b>     | <b>22.46</b>                           | <b>-</b>   |
| <b>Non-Performing Assets (NPA)</b>  |  |   |   |                     |  |  |
| Substandard   | Stage 3                                | -                                       | -   | -                   | -                                      | -  |
| Loss  | Stage 3                                | 3.50                                    | 3.50  | -                   | 3.50                                   | -  |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1                                | -                                       | -   | -                   | -                                      | -  |
|   | Stage 2                                | -                                       | -   | -                   | -                                      | -  |
|   | Stage 3                                | -                                       | -   | -                   | -                                      | -  |
| <b>Subtotal (B)</b>   |  | <b>3.50</b>                             | <b>3.50</b>   | <b>-</b>            | <b>3.50</b>                            | <b>-</b>   |
| <b>Total (A+B)</b>  | Stage 1                                | <b>5,615.75</b>                         | <b>22.46</b>  | <b>5,593.29</b>     | <b>22.46</b>                           | <b>-</b>   |
|   | Stage 2                                | <b>-</b>                                | <b>-</b>  | <b>-</b>            | <b>-</b>                               | <b>-</b>   |
|   | Stage 3                                | <b>3.50</b>                             | <b>3.50</b>   | <b>-</b>            | <b>3.50</b>                            | <b>-</b>   |
|   | <b>Total</b>                           | <b>5,619.25</b>                         | <b>25.96</b>  | <b>5,593.29</b>     | <b>25.96</b>                           | <b>-</b>   |

Asset Classification as per RBI norms for the year ended 31 March 2020

| Asset Classification as per RBI Norms   | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS (*) | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|---|---|---------------------|--|--|
| (A)   | (B)                                    | (C)                                     | (D)   | (E=C-D)             | (F)                                    | (G=D-F)  |
| <b>Performing Assets</b>  |  |   |   |                     |  |  |
| Standard  | Stage 1                                | 5,976.70                                | 23.91   | 5,952.79            | 23.91                                  | -  |
|   | Stage 2                                | -                                       | -   | -                   | -                                      | -  |
| <b>Subtotal (A)</b>   |  | <b>5,976.70</b>                         | <b>23.91</b>  | <b>5,952.79</b>     | <b>23.91</b>                           | <b>-</b>   |
| <b>Non-Performing Assets (NPA)</b>  |  |   |   |                     |  |  |
| Substandard   | Stage 3                                | -                                       | -   | -                   | -                                      | -  |
| Loss  | Stage 3                                | 3.50                                    | 3.50  | -                   | 3.50                                   | -  |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1                                | -                                       | -   | -                   | -                                      | -  |
|   | Stage 2                                | -                                       | -   | -                   | -                                      | -  |
|   | Stage 3                                | -                                       | -   | -                   | -                                      | -  |
| <b>Subtotal (B)</b>   |  | <b>3.50</b>                             | <b>3.50</b>   | <b>-</b>            | <b>3.50</b>                            | <b>-</b>   |
| <b>Total (A+B)</b>  | Stage 1                                | <b>5,976.70</b>                         | <b>23.91</b>  | <b>5,952.79</b>     | <b>23.91</b>                           | <b>-</b>   |
|   | Stage 2                                | <b>-</b>                                | <b>-</b>  | <b>-</b>            | <b>-</b>                               | <b>-</b>   |
|   | Stage 3                                | <b>3.50</b>                             | <b>3.50</b>   | <b>-</b>            | <b>3.50</b>                            | <b>-</b>   |
|   | <b>Total</b>                           | <b>5,980.20</b>                         | <b>27.41</b>  | <b>5,952.79</b>     | <b>27.41</b>                           | <b>-</b>   |

(\*) Gross carrying amount as per IndAS represents gross carrying amount including accrued interest and after netting off unamortised loan processing fees.



**Shree Krishna Agencies Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amounts in ₹ lakhs unless otherwise stated)

**Note 35: Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019 have been given below:**

| (I) Funding Concentration based on significant counterparty on borrowings | As at          | As at          |
|---|----------------|----------------|
|   | 31 March 2021  | 31 March 2020  |
| Number of significant counterparties                                      | 1              | 3              |
| Amount of borrowed funds from significant counterparties                  | 35.60          | 911.39         |
| Percentage of total deposits  | Not applicable | Not applicable |
| Percentage of total liabilities   | 3.93%          | 56.30%         |

**Notes:**

i) A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

ii) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in ₹ lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings -

| Particulars  | As at         | As at         |
|--|---------------|---------------|
|  | 31 March 2021 | 31 March 2020 |
| Amount of borrowed funds from top ten significant counterparties (*) | 35.60         | 911.39        |
| % of total borrowings (##)   | 100.00%       | 100.00%       |

**Note:**

(\*) Accrued interest on borrowings have not been considered in above calculation.

(##) Total borrowing has been computed as gross total debt basis extant regulatory ALM guidelines.

(iv) Funding Concentration based on significant instrument / product

| Name of the instrument/product          | As on 31 March 2021 |                        | As on 31 March 2020 |                        |
|---|---------------------|------------------------|---------------------|------------------------|
|   | Amount (**)         | % of total liabilities | Amount (**)         | % of total liabilities |
| Debt securities                         | Not applicable      | Not applicable         | Not applicable      | Not applicable         |
| Borrowings (other than debt securities) | 35.60               | 3.93%                  | 911.39              | 56.30%                 |
| Other Financial Liabilities             | 31.72               | 3.51%                  | 17.26               | 1.07%                  |

**Note:**

(i) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

(ii) Total liabilities has been computed as total assets less equity share capital less reserve & surplus and computed basis extant regulatory ALM guidelines.

(\*\*) Figures are based on gross borrowing outstanding and does not includes accrued interest and other Ind AS adjustments.

| (V) Stock ratios in percentage  | As at          | As at          |
|---|----------------|----------------|
|   | 31 March 2021  | 31 March 2020  |
| 1. Commercial papers as a % of total liabilities  | Not Applicable | Not Applicable |
| 2. Commercial papers as a % of total assets   | Not Applicable | Not Applicable |
| 3. Commercial papers as a % of public fund  | Not Applicable | Not Applicable |
| 4. Non-convertible debentures (original maturity of less than one year) as a % of total liabilities | Not Applicable | Not Applicable |
| 5. Non-convertible debentures (original maturity of less than one year) as a % of total assets      | Not Applicable | Not Applicable |
| 6. Non-convertible debentures (original maturity of less than one year) as a % of public fund       | Not Applicable | Not Applicable |
| 7. Other short-term liabilities as a % of total liabilities   | 6.18%          | 55.10%         |
| 8. Other short-term liabilities as a % of total assets  | 0.40%          | 5.95%          |
| 9. Other short-term liabilities as a % of public fund   | 87.17%         | 96.04%         |

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a Quarter or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

**Note 36:- RBI Moratorium & Restructuring**

No restructuring of loans/ borrowings has been taken place during the current year and previous year



**Shree Krishna Agency Limited**

**Summary of significant accounting policies and other explanatory information**  
(All amounts in ₹ lakhs, unless otherwise stated)

**37 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is in a single business segment (primary segment) of giving loans and making investments. The entire revenues are billable within India and there is only one geographical segment (secondary segment).

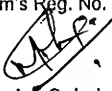
**38 Impact of COVID-19 pandemic**

Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The Company has recognized provisions towards its loan assets and estimated fair value of investments as on 31 March 2021 based on the information available at this point of time including economic forecasts. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

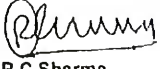
**39** The financial statements are approved for issue by the Board of Directors in its meeting held on 10 June 2021

For Walker Chandlok & Co LLP  
Chartered Accountants  
Firm's Reg. No. : 001076N/N500013


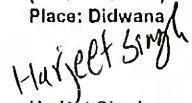
  
Manish Gujral  
Partner  
Membership No. 105117  
Place: Mumbai  
Date: 10 June 2021



For and on behalf of the Board of Directors  
Shree Krishna Agency Limited

  
R.C.Sharma  
Director  
(DIN: 00225947)  
Place: Didwana

  
Vikash Rathi  
Chief Financial Officer  
Place: Kolkata  
Date: 10 June 2021

  
S.P.Pasari  
Director  
(DIN: 01190244)  
Place: Didwana  
  
Harjeet Singh  
Company Secretary  
Place: Kolkata



**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2021

[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.]

|                          |  | (₹ in lacs)               |                   |
|--------------------------|--|---------------------------|-------------------|
|                          |  | Amount<br>Outstanding     | Amount<br>Overdue |
| <b>LIABILITIES SIDE:</b> |  |                           |                   |
| 1                        | inclusive of interest accrued thereon but not paid:  |                           |                   |
|                          | (a) Debentures   |                           |                   |
|                          | Secured  | -                         | -                 |
|                          | Unsecured  | -                         | -                 |
|                          | (Other than Falling within the meaning of public deposits*)  | -                         | -                 |
|                          | (b) Deferred Credits   | -                         | -                 |
|                          | (c) Terms Loans  | 35 60                     | -                 |
|                          | (d) Inter-Corporate Loans and Borrowings   | -                         | -                 |
|                          | (e) Commercial Paper   | -                         | -                 |
|                          | (f) Public Deposits (*)  | -                         | -                 |
|                          | (g) Other Loans (Short-term borrowings)  | -                         | -                 |
|                          | (*) Please see note 1 below  |                           |                   |
| 2                        | Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):       |                           |                   |
|                          | (a) In the form of Unsecured Debentures  | -                         | -                 |
|                          | (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | -                         | -                 |
|                          | (c) Other public deposits  | -                         | -                 |
|                          | (*) Please see note 1 below  |                           |                   |
| <b>ASSETS SIDE</b>       |  | <b>Amount Outstanding</b> |                   |
| 3                        | Break-Up Loans and Advances including Bills Receivable (Other than those included (4) below) :                   |                           |                   |
|                          | (a) Secured  |                           | -                 |
|                          | (b) Unsecured  |                           | 5,619.25          |
| 4                        | Break-Up of leased Assets and Stock on Hire and Others Assets Counting towards AFC activities.                   |                           |                   |
|                          | (i) Lease Assets including Lease Rentals under Sundry Debtors  |                           |                   |
|                          | (a) Financial Lease  |                           | -                 |
|                          | (b) Operating Lease  |                           | -                 |
|                          | (ii) Stock on Hire including Hire Charges under Sundry Debtors   |                           |                   |
|                          | (a) Assets on Hire   |                           | -                 |
|                          | (b) Repossessed Assets   |                           | -                 |
|                          | (iii) Others Loans counting towards AFC activities   |                           |                   |
|                          | (a) Loans where assets have been repossessed   |                           | -                 |
|                          | (b) Loans other than (a) above   |                           | -                 |



**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2021  
[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company  
(Reserve Bank) Directions, 2016.]

|                               |  | Amount<br>(₹ in lacs)                           |
|-------------------------------|--|---|
| 5                             | Break-up of Investments :  |   |
|                               | Current Investments  |   |
|                               | 1. Quoted :  |   |
|                               | (i) Shares (a) Equity  | -   |
|                               | (b) Preference   | -   |
|                               | (ii) Debentures and Bonds  | -   |
|                               | (iii) Units of Mutual Funds  | -   |
|                               | (iv) Government Securities   | -   |
|                               | (v) Others (Please specify)  | -   |
|                               | 2. Unquoted :  |   |
|                               | (i) Shares (a) Equity  | -   |
|                               | (b) Preference   | -   |
|                               | (ii) Debentures and Bonds  | -   |
|                               | (iii) Units of Mutual Funds  | -   |
|                               | (iv) Government Securities   | -   |
|                               | (v) Others (Deemed Investments)  | -   |
|                               | Long Term Investments  |   |
|                               | 1. Quoted :  |   |
|                               | (i) Shares (a) Equity  | 565.28  |
|                               | (b) Preference   | -   |
|                               | (ii) Debentures and Bonds  | -   |
|                               | (iii) Units of Mutual Funds  | -   |
|                               | (iv) Government Securities   | -   |
|                               | (v) Others (Please specify)  | -   |
|                               | 2. Unquoted :  |   |
|                               | (i) Shares (a) Equity  | 4,594.05  |
|                               | (b) Preference   | 3,111.06  |
|                               | (ii) Debentures and Bonds  | -   |
|                               | (iii) Units of Mutual Funds  | 200.34  |
|                               | (iv) Government Securities   | -   |
|                               | (v) Others (Deemed Investment)   | 59.44   |
| 6                             | Borrower group-wise classification of all assets' Financed as in (3) and (4) above.<br>(Please see note 2 below) |   |
|                               | <b>Category</b>  | <b>Amount net of provisions<br/>(in ₹ Lacs)</b> |
|                               |  | <b>Secured      Unsecured      Total</b>        |
| 1. Related Parties            | (a) Subsidiaries   | -   |
|                               | (b) Companies in the same group  | 5,037.43  |
|                               | (c) Other related parties  | -   |
| 2. Other than related parties |  | 555.86  |
|                               | <b>Total</b>   | <b>5,593.29</b>                                 |



**Shree Krishna Agency Limited**

Schedule to the Balance Sheet of Non-Deposit taking, Non-Banking Financial Company as at 31 March 2021

[As required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.]

7 Investor group-wise classification of all investments( current and long term) in shares and securities (both quoted and unquoted) (Please see note 3 below)

| Category                        | (In ₹ Lacs)                                |                                |
|---------------------------------|--|--------------------------------|
|                                 | Market value/Break-up or fair value or NAV | Book Value (Net of Provisions) |
| 1. Related Parties              |  |                                |
| (a) Subsidiaries                | 921.45                                     | 905.44                         |
| (b) Companies in the same group | 7,336.45                                   | 7,251.75                       |
| (c) Other related parties       | -  | -                              |
| 2. Other than related parties   | 372.97                                     | 372.97                         |
|                                 | <b>8,630.87</b>                            | <b>8,530.16</b>                |

8 Other Information

| Particulars                         | Amount<br>(₹ in lacs) |
|-------------------------------------|-----------------------|
| (i) Gross Non-Performing Assets :   |                       |
| (a) Related Parties                 | Nil                   |
| (b) Other than related parties      | 3.50                  |
| (ii) Net Non-Performing Assets :    |                       |
| (a) Related Parties                 | Nil                   |
| (b) Other than related parties      | -                     |
| (iii) Acquired in satisfaction Debt | -                     |

Notes:

1. As defined in point xxvii of paragraph 3 of Chapter - II of these directions
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However marketing value in respect of quoted investments and break up fair value/NAV in respect of unquoted investment should be disclosed irrespective of whether they are classified long term or current in (5) above.
4. Details of related parties are as furnished by the management.

