

MATHEW
EASOW
RESEARCH
SECURITIES
LIMITED

ANNUAL REPORT

2 0 1 8 - 1 9

**BOARD OF DIRECTORS
& KMP**

Mr. Beda Nand Choudhary – Whole Time Director
Mr. Ram Kumar Dalmia – Director
Mr. Atul Kaushik – Director
Ms. Pritha Sinha Pandey – Director
Mr. Debi Prosad Mukherjee – Chief Financial Officer

AUDITORS

Bhandari B. C. & Co.
Chartered Accountants
Kolkata

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Ms. Sarika Kedia

BANKERS

Corporation Bank
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.

**REGISTERED OFFICE
& SHARE DEPARTMENT**

“Rajkamal Building”
128, Rash Behari Avenue,
1st Floor, Kolkata – 700 029
Tel No. (033) 2464 7022/4066 0354
e-mail: mers.ltd@gmail.com
website : www.mersl.co.in

**REGISTRAR
& SHARE TRANSFER AGENT**

MCS Share Transfer Agent Limited
383, Lake Gardens, 1st Floor,
Kolkata – 700045
Phone nos.: (033) 4072 4054
Facsimile no.: (033) 4072 4050
E Mail: mcssta@rediffmail.com

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of Mathew Easow Research Securities Limited will be held at 432, Prince Anwar Shah Road (Surya Sen Mancha), Kolkata – 700068, West Bengal, on Monday, the 30th day of September, 2019 at 9.30 A.M. to transact the following businesses:-

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March 2019 and reports of the Board of Directors and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Beda Nand Choudhary (DIN- 00080175), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Statutory Auditors and fix their remuneration and for the purpose to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014, as amended from time to time, and pursuant to the recommendations of the audit committee, M/s. Gupta & Manglik, Chartered Accountants (Firm Registration No. 311118E) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Bhandari B. C. & Co., Chartered Accountants (Firm Registration No. 311082E) to hold office from the conclusion of this Annual General Meeting for a tenure of consecutive 5 years till the conclusion of the 30th Annual General Meeting at such remuneration as may be determined by the Board in consultation with the Auditors from time to time.”

AS SPECIAL BUSINESS:

4. To appoint and fix remuneration of Whole Time Director,

To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and pursuant to approval of the Board of Directors and recommendation of Nomination and remuneration committee, approval of the members of the Company be and is hereby accorded for the appointment of Mr. Beda Nand Choudhary (DIN- 00080175) as a Whole Time Director of the Company who is also liable to retire by rotation for a period of three years from 15th June, 2019 to 14th June, 2022 on the terms and conditions of appointment and remuneration, as detailed in the explanatory statement attached hereto, with authority to the Board of Directors to alter and vary the terms and conditions of re-appointment and remuneration so as to not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with limits specified in Schedule V to the Companies Act, 2013 and as may be agreed to by the Board of Directors and Mr. Beda Nand Choudhary.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

By Order of the Board
For **Mathew Easow Research Securities Limited**

Sarika Kedia
Company Secretary

Place: Kolkata
Date: 13th August, 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, must be received by the Company, duly filled, stamped and signed at its Registered Office not less than 48 hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
4. Corporate Members intending to send their authorized representatives to attend the ensuing Annual General Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive).
6. Members/proxies/authorized representatives are requested to bring the duly filled attendance slip to attend the Annual General Meeting along with their copy of Annual Report.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
8. Members who are holding shares in the demat form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification for attendance at the meeting.
9. Securities and Exchange Board of India has mandated that securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. Accordingly the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
10. Members desirous of asking any questions at the Annual General Meeting and desiring any information as regards the Accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
11. Keeping in view the “Green Initiative in Corporate Governance” of Ministry of Corporate Affairs and in continuation to the practice adopted in previous years, the Company proposes to continue to send notices / documents including annual reports, etc. to the members in electronic form. Members who have still not registered their email addresses are requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, 1st Floor, 383, Lake Gardens, Kolkata – 700045. Further, the documents served through email are available on the Company’s website www.mersl.co.in.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank particulars by every participant in the securities market. Shareholders holding shares in electronic form are therefore requested to submit their PAN and Bank details to their Depository Participant and shareholders holding shares in physical form are requested to submit their PAN and Bank details to the Company’s Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, 1st Floor, 383, Lake Gardens, Kolkata – 700045. Those shareholders who has already updated/provided the above said details need not require sending the same again.
13. The Financial Statements of the Company for the financial year ended 31st March 2019 and reports of the Board of Directors and the Auditors’ Report thereon and all other documents required by law to be annexed or attached to the Financial Statements shall be available for inspection at the Registered Office of the Company on all working days during business hours between 11.00 a.m. and 1.00 p.m. up to the date of ensuing date of Annual General Meeting.

14. Voting through electronic means

- I. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) and provisions of Section 108 of the Companies Act, 2013 read with related Rules, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility (“remote e-voting”) to all its members.
- II. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 23, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- III. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, September 23, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- IV. The remote e-voting will commence on Friday, September 27, 2019 at 9.00 a.m. and will end on Sunday, September 29, 2019 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- V. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- VI. The facility for voting through Ballot Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- VII. The process and manner for remote e-voting are as under:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After you click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of "Mathew Easow Research Securities Limited".
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer by e-mail to jagannathcs@hotmail.com with a copy marked to evoting@nsdl.co.in.
 - ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
 - iv. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Monday, September 23, 2019.
- VIII. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Monday, September 23, 2019, may obtain the login Id and password by sending a request at evoting@nsdl.co.in.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- IX. The Company has appointed CS Jagannath Kar, Practising Company Secretary (Membership No. 20600; CP No: 7591), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting at the AGM, in a fair and transparent manner.
 - X. The Chairman shall, at the 25th Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XI. The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mersl.co.in and on the website of NSDL www.nsdl.com immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai, and Calcutta Stock Exchange Limited, Kolkata, where the shares of the Company are listed.
 - XIII. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.

15. Details of Directors seeking appointment/re-appointment at the Annual General Meeting as required under Regulation 36 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:

Name of the Director	Mr. Beda Nand Choudhary
Date of Birth	17.02.1970
Qualification	B.Com (Commerce Graduate)
Expertise in specific functional areas	He has over 24 years experience inter alia in the field of Accounting, Financing and Investment field.
Details of remuneration to be paid, if any	No remuneration has been paid during the financial year 2018-19. However after being appointed as Whole Time Director the remuneration to be paid is mentioned in the Explanatory statement attached with this AGM notice.
Shareholding in the Company	NIL
Relationship with other directors or KMPs	He is not related to any of the directors or KMPs of the Company
Directorship held in other listed Companies	Gaylord Commercial Company Limited
Committee Membership in other listed companies	Audit Committee and Nomination & Remuneration Committee

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

M/s. Bhandari B. C. & Co., Chartered Accountants (Firm Registration No. 311082E) were appointed as the statutory auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company held on 29th September, 2016 to hold office till the conclusion of this AGM. Since the term of M/s. Bhandari B. C. & Co., comes to an end in this annual general meeting, the Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on 13th August, 2019, proposed the appointment of M/s. Gupta & Manglik, Chartered Accountants (Firm Registration No. 311118E) as the Statutory Auditor of the Company for a tenure starting from conclusion of this AGM till the Conclusion of 30th AGM. M/s. Gupta & Manglik, Chartered Accountants have consented to their appointment as statutory auditors of the Company in terms of the provisions of Section 139 read with 141 of the Companies Act, 2013.

M/s. Gupta & Manglik, Chartered Accountants (Firm Registration No. 311118E) is a renowned firm and its registered office is situated at 1/1A, Biplabi Anukul Chandra Street, 4th Floor, Kolkata -700072.

The proposed remuneration of to be paid to M/s. Gupta & Manglik, Chartered Accountants, for the financial year 2019-20 is Rs. 75,000/-, (Rupees Seventy Five Thousand Only) excluding other certification fees, reimbursement of out of pocket expenses and applicable taxes.

The Board recommends the ordinary resolution set out at Item No. 3 for the approval of members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in this Resolution set out in Item No. 3 of the notice.

Item No. 4:

Mr. Beda Nand Choudhary has been appointed as a director of the Company with effect from 14.01.2010 and since then he is associated with the Company. Keeping in view his entrepreneurial spirit and commitment as well as taking into account his responsibilities, the Nomination and remuneration committee has decided to appoint him as Whole Time Director of the Company. On the recommendation of the nomination and remuneration committee, the Board

of Directors in their meeting held on 15th June, 2019, has decided to appoint him as the Whole Time Director of the Company for a period of 3 years with effect from 15th June, 2019 and who is also eligible to retire by rotation with the remuneration of Rs. 50,000/- per month.

Mr. Beda Nand Choudhary is a Commerce graduate and has extensive knowledge in the field of finance and investments. His dynamism and the business acumen will be of great asset to the Company.

Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year during the period of his office as Whole Time Director, if the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Beda Nand Choudhary remuneration by way of salary, allowances, perquisites not exceeding Rs. 50,000/- per month or the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Beda Nand Choudhary.

Since there is inadequate profit during the financial year ended 31.03.2019, your approval is sought for payment of above remuneration to Mr. Beda Nand Choudhary as per the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 as a Special Resolution.

I. General Information:

- (1) Nature of Industry: The Company is Non Banking Finance Company.
- (2) Date or expected date of commencement of commercial production: Not Applicable.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- (4) Financial Performance based on given indicators:

	Rs. In Lakhs		
Particulars	F.Y. 2016-17	F.Y. 2017-18	F.Y. 2018-19
Total Revenue	158.71	411.34	349.47
Profit before Tax	14.80	63.93	33.20
Profit after Tax	10.46	45.51	13.02

- (5) Foreign Investments or collaboration: The Company has not received any foreign investments and not entered into any foreign collaboration.

II. Information about the Appointee:

- (1) Background details: Mr. Beda Nand Choudhary is associated with the company since 14.01.2010 and based on the recommendation of the nomination and remuneration committee, the Board of Directors in their meeting held on 15th June, 2019, has decided to appoint him as the Whole Time Director of the Company.
- (2) Past Remuneration: NIL
- (3) Recognition or Award: NIL
- (4) Job Profile and his suitability: He is a Commerce graduate and has extensive knowledge in the field of finance, accounts and investments. His dynamism and the business acumen will be of great asset to the Company
- (5) Remuneration Proposed: As mentioned above in the Explanatory Statement u/s 102 of the Companies Act, 2013
- (6) Comparative remuneration profile with respect to the industry, size of the Company, profile of the position and person: Taking into account the size of the Company, the amount of remuneration is reasonable.
- (7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: There is no pecuniary relationship with the Company except that he is associated with the Company as a director since 14.01.2010. Further he does not hold any shares of the Company.

III. Other Information:

- (1) Reasons of inadequate profits: Due to the incremental of the operating expenses, the Company had incurred

the inadequate profit during the financial year 2018-2019.

- (2) Steps taken or proposed to be taken for improvement: The Company has undertaken stringent cost actions and continues to curtail both employee and non-employee costs. Also, management continues to explore avenues to increase revenues through investment in its capabilities.
- (3) Expected increase in productivity and profits: The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the Company will improve further in near future.

Since the Company is operating inadequate profit, the above proposal requires approval of shareholders of the Company. Hence, the proposal is before the shareholders for approval through special resolution.

The material terms of appointment and remuneration are given below: -

General:

- (i) The Whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Board of Directors.
- (ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Whole-time Director shall adhere to the Company's Code of Conduct.

Your Directors recommend the passing of the Resolution in Item No. 4 of the Notice as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested financially or otherwise in this Resolution except Mr. Beda Nand Choudhary.

By Order of the Board
For **Mathew Easow Research Securities Limited**

Sarika Kedia
Company Secretary

Place: Kolkata
Date: 13th August, 2019

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS

The financial results of the Company are summarized below:

	For the Financial Year ended 31.03.2019 (₹)	For the Financial Year ended 31.03.2018 (₹)
Total Revenue	3,49,47,578	4,11,34,828
Less: Total Expenses	3,16,26,767	3,47,41,624
Profit before tax	33,20,811	63,93,203
Less: Tax Expenses	20,18,677	18,41,612
Profit after tax	13,02,134	45,51,591
Add: Balance brought forward from previous year	2,14,04,356	1,77,63,083
Balance Available	2,27,06,490	2,23,14,674
Less: Special Reserve U/s 451C RBI Act	2,60,427	9,10,318
Profit carried forward to Balance Sheet	2,24,46,063	2,14,04,356

2. OPERATIONS & THE STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue from operation of the Company is ₹3,47,49,959/- as compared to ₹4,10,88,308/- during the previous year while the profit after tax is ₹13,02,134/- as compared to ₹45,51,591/- during the previous year. There is a down slide in the profits of the company during the year under review as compared to the previous year's profits mainly due to decrease in revenue from operation and increase in operational expenses. However the company will continue to focus on its present business activities.

3. DIVIDEND

In order to plough back the profits for future requirements of the company, no dividend is being declared for the financial year under review.

4. CHANGE IN SHARE CAPITAL

During the year under review, the Company has not issued any securities including equity shares with differential rights/ sweat equity shares/ employees stock options scheme/ bonus shares. Thus, there is neither any change in the Authorized share Capital nor any change in issued, subscribed, paid-up share capital of the Company.

5. TRANSFER TO RESERVES

The Company proposed to transfer ₹2,60,427/- to Special Reserve created under Section 45-1C of the RBI Act, 1934. The Company proposed to retain the balance i.e. ₹10,41,707/- in the profit and loss account.

6. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the Financial position of the company, which have occurred between the end of Financial Year of the Company to which the Financial Statements relate and the date of this report.

7. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale & complexities of its operations. Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. During the year under review no reportable material weakness in the design or operation were observed.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

9. DEPOSITS

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 during the financial year under review.

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

The provision of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to the Company as its activities are not relevant for the same.

There was no foreign exchange earnings and outgo during the financial year under review.

11. PARTICULARS OF EMPLOYEES & KMP

During the financial year under review, the following were the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013:

- i) Sarika Kedia – Company Secretary and Compliance officer

Mr. Beda Nand Choudhary has been appointed as the Whole-time Director of the Company and Mr. Debi Prosad Mukherjee has been appointed as the Chief Financial Officer (CFO) of the Company with effect from 15th June, 2019.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (i) The ratio of the remuneration of each director/KMP to the median employee's remuneration for the financial year as prescribed is as given below:

Sl. No.	Name of KMP	Remuneration of of KMP for FY 2018-19 (₹)	Previous Year Remuneration (₹)	% Increase	Ratio of Remuneration of each director / to median remuneration of employees
1.	Sarika Kedia (Company Secretary)	3,30,016/-	3,50,400/-	N.A.	0.00

Note:None of the directors received any remuneration during the financial year ended 31st March, 2019.

- (ii) Percentage increase in the median remuneration director, CEO and CFO during the financial year: NA.
Percentage increase in the median remuneration Company Secretary is : N.A.
- (iii) Percentage increase in median remuneration of employees in the financial year: Not applicable.
- (iv) The number of permanent employees on the rolls of the company as on 31st March, 2019: 2
- (v) Average percentage increase made in the salaries of employees other than KMP in the financial year -10%.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other employees.

There were no persons employed by the Company during the Financial Year 2018-19 who draws remuneration as prescribed under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014, hence details with respect to the same is not required to be given.

12. PREVENTION OF INSIDER TRADING

The Company adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India as amended from time to time for prevention of Insider Trading which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the Company. The code of conduct framed by the Company has helped in ensuring compliance with the requirements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material significant in accordance with the policy of the Company on materiality of related party transactions.

14. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 as a part of this Report as ANNEXURE-I.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board presently comprises of 4 Directors - 2 Non-Executive Independent Directors, 1 Executive Director and 1 Non-Executive Woman Director.

Name of the Director	Category
Mr. Beda Nand Choudhary	Executive Promoter Director
Ms. Pritha Sinha Pandey	Non Executive, Non Independent (Woman Director)
Mr. Ram Kumar Dalmia	Non Executive Independent
Mr. Atul Kaushik	Non Executive Independent
Ms. Sarika Kedia	Company Secretary

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Beda Nand Choudhary (DIN- 00080175), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as a Director under Companies Act 2013.

The management of the Company was in process of filling vacancy of the post of Key Managerial Personnel (KMP). The Board of directors at their meeting held on 15th June 2019 appointed following persons as KMPs of the Company:

Mr. Beda Nand Choudhary as the Whole-time Director of the Company, being designated as the Executive director with effect from 15th June, 2019.

Mr. Debi Prosad Mukherjee as the Chief Financial Officer of the Company with effect from 15th June, 2019.

16. MEETINGS OF THE BOARD

During the financial year ended 31st March, 2019, 6 (Six) Board meetings were held respectively on 10th April, 2018, 5th June, 2018, 13th August, 2018, 13th November, 2018, 8th February, 2019 and 18th March, 2019.

The attendances of Directors at these meetings are as follows:

Name of Directors	No. of Board Meetings Attended
Mr. Beda Nand Choudhary	6 of 6
Mr. Ram Kumar Dalmia	6 of 6
Mr. Atul Kaushik	6 of 6
Ms. Pritha Sinha Pandey	6 of 6

The intervening gap between any two meetings was within the period 120 days as prescribed under the Companies Act, 2013. During the financial year one board meeting due to be held on 29.05.2018 was adjourned due to absence of Quorum and held on 5th June, 2018.

MEETINGS OF THE INDEPENDENT DIRECTORS

During the financial year ended 31st March, 2019, two meetings of the Independent Directors were held on 12th September, 2018 and 18th March, 2019 inter alia to discuss:

- Evaluation of the performance of the Non Executive Directors and Board of Directors as a whole;
- Evaluation of the performance of the chairman of the meetings of the company, taking into account the views of the executive and non-executive directors, non-independent directors and board of directors as a whole;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meetings.

17. COMMITTEES OF THE BOARD

The Company has constituted different Committees under the Board that are mandated under the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(a) AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of the requirements of Section 177 of the Companies Act, 2013 read with rules made thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee comprises of three Non-Executive Directors, out of which two are independent. During the year, the Audit Committee met 4 times to deliberate on various matters on 5th June, 2018, 13th August, 2018, 13th November, 2018 and 8th February, 2019.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:

<i>Name of Directors</i>	<i>Position Held</i>	<i>No. of Meetings Attended</i>
Mr. Ram Kumar Dalmia	Chairman	4
Mr. Beda Nand Choudhary	Member	4
Mr. Atul Kaushik	Member	4

Statutory Auditors and Internal Auditors or their representatives are permanent invitees for the meetings of the Committee. The Company Secretary is the Secretary to the Committee.

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 28th September, 2018 and he ensured that necessary clarifications and explanations were provided to the Members of the Company on issues regarding accounts and finance.

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements are reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

(b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, out of which two are independent. The Chairman of the Committee, Mr. Ram Kumar Dalmia, is the Non-Executive Independent Director. One meeting of Nomination and Remuneration Committee was held on 18th March, 2019 during the year under review.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting of the Company held on 28th September, 2018.

The Composition of Nomination and Remuneration Committee is given below:

<i>Name of Directors</i>	<i>Position Held</i>	<i>No. of Meetings Attended</i>
Mr. Ram Kumar Dalmia	Chairman	1
Mr. Beda Nand Choudhary	Member	1
Mr. Atul Kaushik	Member	1

The Nomination and Remuneration Committee of the Board is constituted to (a) formulate from time to time process for selection and appointment of new Directors, key managerial personnel and other employees and their succession plans and (b) recommend to the Board from time to time, a compensation structure for Directors and other key managerial personnel.

(c) INVESTORS' GRIEVANCE & STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company constituted the Committee to oversee the investor grievances in relation to transfer of shares, non-receipt of annual report, dividend and other grievances. It is the policy of the Company to promptly attend to and resolve the complaints received from the shareholders. The Committee also oversees the performance of the Registrar and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The composition of the Investors' Grievance & Stakeholder's Relationship Committee is as follows:

<i>Name of Directors</i>	<i>Positions held</i>	<i>No. of Meetings held</i>	<i>No. of Meetings attended</i>
Mr. Ram Kumar Dalmia	Chairman	4	4
Mr. Beda Nand Choudhary	Member	4	4
Mr. Atul Kaushik	Member	4	4

During the financial year ended 31st March, 2019, four meetings of the Committee were held on 5th June, 2018, 13th August, 2018, 13th November, 2018 and 8th February, 2019.

No sitting fee has been paid to the Executive and Non-Executives Directors during the period under review for attending the meetings of the Board and its Committees.

18. DECLARATION OF INDEPENDENT DIRECTORS

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19. PERFORMANCE EVALUATION OF THE BOARD/COMMITTEES AND INDEPENDENT DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, board committees and Independent Directors pursuant to the applicable provisions of the Act.

The aspects covered in the evaluation included the contribution made by the Directors to the corporate governance practices, long term strategic planning, fulfillment of Director's obligations and fiduciary responsibilities and active participation at the Board and Committee meetings. The effectiveness of Board / Committee processes were assessed based on the Directors' inputs received during the meetings of the Board of Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of Independent Directors, performance of non-independent directors, and performance of the board as a whole was evaluated, taking into account the views of all the directors.

20. VIGIL MECHANISM

The Company has a vigil mechanism/whistle blower policy to deal with instances of fraud and mismanagement in terms of Section 177(9) of the Companies Act, 2013.

21. CORPORATE GOVERNANCE

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2018-19 since the Net Worth is below Rs. 25.00 Crores and the Paid up equity share Capital of the Company is less than Rs. 10.00 Crores.

22. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit for the year ended as on that date;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts for the financial year ended 31st March, 2019 on a going concern basis;
- (e) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- (f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. Bhandari B. C. & Co. (Firm Reg. No. 311082E), Chartered Accountants, were appointed as statutory auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company from the conclusion of the said 22nd AGM till the conclusion of the 25th AGM. Their Tenure of such appointment will expire upon conclusion of the 25th AGM of the Company.

The Board of Directors approached M/s. Gupta & Manglik, Chartered Accountants, Kolkata, and received consent from the Auditors to the effect that if they are appointed, it would be in accordance with the provisions of the Section 141 or other applicable provisions of the Companies act, 2013. Accordingly a resolution proposing appointment of M/s. Gupta & Manglik, Chartered Accountants, as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the 25th AGM for approval of members.

The Report given by the Auditors on the financial statement of the Company is part of this Report and are self explanatory. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditors' Report

The Board has appointed Mr. Jagannath Kar (Membership No. 20600), Practicing Company Secretary, to carry out the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year ended March 31, 2019 is annexed herewith and marked as **Annexure II** to this report.

Secretarial Auditor's observations, if any, in his report, have been suitably explained by way of appropriate notes to accounts and/or in the Board's Report wherever it was considered necessary.

24. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors have made the necessary disclosures as required by the various provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In order to prevent sexual harassment of women at workplace your company has adopted a Policy for prevention of sexual harassment of women at workplace and no such complaints have been reported during the financial year under review.

26. CORPORATE SOCIAL RESPONSIBILITY

Considering the turnover/ net worth/ net profit, the provision of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility is not applicable to the company.

27. RISK MANAGEMENT POLICY

The Company is exposed to several risks. They can be categorized as operational risk and strategic risks. The Management has put in place adequate and effective system and man power for the purpose of Risk Management.

The company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate the risks. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non- business risks.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

29. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

31. LOANS, GUARANTEES AND INVESTMENTS

As the Company is a Non-Banking Finance Company being engaged in the business of financing and investment activities, provisions of Section 186 of the Companies Act, 2013 is not applicable to the Company.

However, the particulars of loans and investments made under Section 186 of the Companies Act, 2013 during the financial year are provided in the Notes to the Financial Statements.

32. LISTING

The Equity Shares of the company is listed on BSE Limited (BSE). The Company is regularly paying listing fees to the BSE. Since last several years the Calcutta Stock Exchange Limited (CSE) is a non-operational Exchange and do not provide any trading platform to the investors of the Company. The Board of Directors at its meeting held on 13th August, 2018 has approved voluntary delisting of the shares from CSE which is a defunct stock exchange, in accordance with the delisting regulations.

33. GENERAL BODY MEETING:

Location & Time of Last 3 Annual General Meetings:

AGM	Date	Venue	Time	No. of Special Resolutions
24th	28th September, 2018	432, Prince Anwar Shah Road, Kolkata – 700 068	9.30 A.M.	Two
23rd	21st September, 2017	432, Prince Anwar Shah Road, Kolkata – 700 068	9.30 A.M.	None
22nd	29th September, 2016	432, Prince Anwar Shah Road, Kolkata – 700 068	2.30 P.M.	Two

At the above-mentioned meetings, all the Resolutions were passed with requisite majority. No Resolution was passed during the financial year ended 31st March, 2019 through Postal Ballot.

32. GENERAL SHAREHOLDER INFORMATION

(i) Ensuing Annual General Meeting Details:

Day & Date	Monday, 30th September, 2019
Venue	432, Prince Anwar Shah Road (Surya Sen Mancha), Kolkata-700068
Time	9:30 a.m.
Book Closure Date	24th September, 2019 to 30th September, 2019 (both days inclusive)

(ii) The financial year of the Company covers 1st April, 2018 to 31st March, 2019.

(iii) Listing of Shares on Stock Exchanges with Stock Code

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Telephone nos. : 022-2272 1233/34 Facsimile no. : 022-2272 1919 website : www.bseindia.com	511688
The Calcutta Stock Exchange Ltd. 7 Lyons Range, Kolkata – 700001 Telephone nos. : 033-2210 4470/77 Facsimile no. : 033-2210 4500 website : www.cse-india.com	023052

- (a) ISIN No. for the Company's ordinary shares in demat form: INE963B01019
 (b) Depository Connectivity: NSDL and CDSL.

(iv) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2019:

(a) ACCORDING TO CATEGORY OF HOLDING:

<i>Category of Shareholders</i>	<i>No. of shares held</i>	<i>% of holding</i>
Promoters		
Bodies Corporate	2080343	31.28
Non – Promoters		
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies	672	0.01
FIs'	Nil	Nil
Others		
Private Corporate Bodies	2270545	34.15
Indian Public	2284434	34.35
NRIs/OCB	14006	0.21
Total	6650000	100

(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:

<i>Shareholding</i>	<i>Number of Share holders</i>	<i>% to total Shareholders</i>	<i>Number of Shares</i>	<i>% to total Shares</i>
1 - 500	2888	92.65	339718	5.11
501 - 1000	106	3.41	86525	1.31
1001 - 2000	42	1.35	67418	1.01
2001 - 3000	10	0.32	23788	0.36
3001 - 4000	10	0.32	36161	0.54
4001 - 5000	7	0.22	31416	0.47
5001 - 10000	12	0.39	97941	1.47
10001 - 50000	16	0.51	365742	5.50
50001 - 100000	11	0.35	843407	12.68
100001 and above	15	0.48	4757884	71.55
Total	3117	100.00	6650000	100.00

33. ACKNOWLEDGEMENT

Your Board wishes to place on record its sincere appreciation for the wholehearted support received from members, government authorities, bankers, employees, consultants and all other business associates. We look forward to continued support of all these partners in progress.

Place: Kolkata
 Date: 13th August, 2019

For & on behalf of the Board

Registered Office:
 Raj Kamal Building, 1st Floor
 128, Rash Behari Avenue, Kolkata – 700029

Beda Nand Choudhary
 Whole-time Director
 (DIN – 00080175)

Ram Kumar Dalmia
 Director
 (DIN – 00080549)

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMIC OUTLOOK

In the financial year 2018-19, with regards to economic performance, India invigorated its position as the fastest growing major economy in the world. However, overall growth for 2018-19 slumped to a five-year low of 6.8% compared with 7% projected in the second advance estimates released in February. RBI increased repo rate by 25 basis points each in its June, 2018 and August, 2018 bi-monthly policy meetings. However, it cut repo rate by 25 basis points each, in February, 2019 and April, 2019 bi-monthly policy meetings to spur growth.

As government and private consumption remains robust and investment is steadily picking up, the Indian economy is expected to grow at 7.4% in 2019-20 on account of steady improvement in major sectors. A lot depends on the critical factors like global oil prices, a good monsoon, core inflation, and a low interest rate regime, NPA resolutions, IBC etc. But to attain the massive economic potential, India will need to accelerate and sustain its continuing upward trajectory on key human development indicators and aim for a more inclusive growth.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The NBFC sector is well regulated by the RBI. The prudential norms on the assets side, mirror those applicable to banks. However, on the resource raising side, there is a clear difference between banks and NBFCs, as the former have access to savings and current accounts. Further, even within the sector, some NBFCs are advantaged as they have access to public deposits, while others do not.

As NBFCs cater to underserved markets, they operate at higher yields. The operating cost as well as bad debt expenditure of the NBFCs is lower compared to banks due to better risk appreciation and management, lower cost due to lean and focused business models and better service through faster response and personalized approach.

OPPORTUNITIES AND THREATS

The NBFCs' market share would continue to expand and its expansion would be supported by NBFCs' ability to customize products, price the risk and manage ultimate credit costs, especially related to small-ticket loans, viz. microfinance, small ticket housing loans and loan against property. The competition is likely to intensify in certain segments such as large ticket loan against property. As a result risk-adjusted pricing may come under pressure. Many NBFCs borrowers may turn poachable and creditworthy for banks, as the transition to the formalization gains momentum. Growth of the Company's asset book, quality of assets and ability to raise funds depend significantly on the economy. India economy's un favourable events can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial providers, unstable political environment and changes in Government policies/ regulatory framework could impact the company's operations.

HUMAN RESOURCES

People remain the most valuable asset of your company. Your company continued to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain talent. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

INTERNAL CONTROL SYSTEM

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and reliability of the information used for carrying on business operations.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis and Directors Report describing the company's strengths, strategies, projections and estimates are forward-looking statements and progressive within the meaning of applicable laws and regulations. The actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

Place: Kolkata
Date: 13th August, 2019

For & on behalf of the Board

Registered Office:
Raj Kamal Building, 1st Floor
128, Rash Behari Avenue, Kolkata – 700029

Beda Nand Choudhary
Whole-time Director
(DIN – 00080175)

Ram Kumar Dalmia
Director
(DIN – 00080549)

ANNEXURE I
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019
OF MATHEW EASOW RESEARCH SECURITIES LIMITED

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

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	L74910WB1994PLC064483
(ii)	Registration Date	12th August, 1994
(iii)	Name of the Company	MATHEW EASOW RESEARCH SECURITIES LIMITED
(iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
(v)	Address of the Registered office and contact details	128, Rashbehari Avenue, 1st Floor, 'Rajkamal Building' Kolkata - 700 029 PHONE NO.: (033) 2464 7022 / 4066 0354 EMAIL: mers.ltd@gmail.com
(vi)	Whether listed company	YES
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 383, Lake Gardens, 1st Floor, Kolkata – 700045 Tel. No.: (033) 4072 4054; Fax: (033) 4072 4050 E-mail: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the company
1	Non-Banking Financial Company engaged in lending and allied activities (NBFC Activities)	6499	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) CATEGORY-WISE SHAREHOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	—	—	—	—	—	—	—	—	—

(b) Central Govt.	—	—	—	—	—	—	—	—	—
(c) State Govt.(s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corporate	2080343	—	2080343	31.28	2080343	—	2080343	31.28	—
(e) Banks / FI	—	—	—	—	—	—	—	—	—
(f) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A) (1)	2080343	—	2080343	31.28	2080343	—	2080343	31.28	—
(2) Foreign									
(a) NRIs Individuals	—	—	—	—	—	—	—	—	—
(b) Other Individuals	—	—	—	—	—	—	—	—	—
(c) Bodies Corporate	—	—	—	—	—	—	—	—	—
(d) Banks / FI	—	—	—	—	—	—	—	—	—
(e) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A) (2)	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter									
(A) = (A)(1)+(A)(2)	2080343	—	2080343	31.28	2080343	—	2080343	31.28	—
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	—	—	—	—	—	—	—	—	—
(b) Banks / FI	672	—	672	0.01	672	—	672	0.01	—
(c) Central Govt.	—	—	—	—	—	—	—	—	—
(d) State Govt.(s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	—	—	—	—	—	—	—	—	—
(g) FIs	—	—	—	—	—	—	—	—	—
(h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
(i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1)	672	—	672	0.01	672	—	672	0.01	—
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	2252367	8700	2261067	34.00	2261845	8700	2270545	34.14	0.14
(ii) Overseas	—	—	—	—	—	—	—	—	—
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	324714	323816	648530	9.75	331278	315208	646486	9.72	-0.03
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1645234	—	1645234	24.74	1637948	—	1637948	24.63	-0.11
(c) Others (specify)									
NRI	2454	11700	14154	0.21	4606	9400	14006	0.21	0.00
Sub-total (B)(2)	4224769	344216	4568985	68.71	4235677	333308	4568985	68.71	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	4225441	344216	4569657	68.72	4236349	333308	4569657	68.72	0.00
C. Shares held by Custodian for GDRs & ADRs									
	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	6305784	344216	6650000	100.00	6316692	333308	6650000	100.00	0.00

(ii) SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	
1	Mathew Easow Fiscal Services Ltd.	1495946	22.5	—	1495946	22.5	—	—
2	Vista Vyapaar Pvt Ltd.	584397	8.79	—	584397	8.79	—	—

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	NO CHANGE DURING THE YEAR			
Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
At the end of the year				

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sunil Ghorawat				
	At the beginning of the year	425175	6.39	425175	6.39
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	425175	6.39	425175	6.39
2.	Religare Finvest Ltd.				
	At the beginning of the year	320000	4.81	320000	4.81
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	320000	4.81	320000	4.81

3. Bijco Holdings Ltd.	At the beginning of the year	300050	4.51	300050	4.51
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	300050	4.51	300050	4.51
4. Ushita Trading And Agencies Ltd.	At the beginning of the year	259952	3.91	259952	3.91
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	259952	3.91	259952	3.91
5. Alipore Commercial Pvt. Ltd.	At the beginning of the year	217140	3.27	217140	3.27
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	217140	3.27	217140	3.27
6. Amar Packagings (Pvt) Ltd.	At the beginning of the year	185000	2.78	185000	2.78
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	185000	2.78	185000	2.78
7. Annexation Commosales Pvt. Ltd.	At the beginning of the year	145826	2.19	145826	2.19
	Increase in shareholding during the Year	38769	0.58	184595	2.77
	At the end of the year	184595	2.77	184595	2.77
8. Avlokan Vinimay Pvt. Ltd.	At the beginning of the year	141644	2.13	141644	2.13
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	141644	2.13	141644	2.13
9. Angaarika Vintrade Pvt. Ltd.	At the beginning of the year	137710	2.07	137710	2.07
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	137710	2.07	137710	2.07
10. Bihan Trading Pvt. Ltd.	At the beginning of the year	106184	1.60	106184	1.60
	Increase in shareholding during the Year	41416	0.62	147600	2.22
	At the end of the year	147600	2.22	147600	2.22

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Beda Nand Choudhary	—	—	—	—
2	Ram Kumar Dalmia	—	—	—	—
3	Atul Kaushik	—	—	—	—
4	Pritha Sinha Pandey	—	—	—	—
5	Sarika Kedia	—	—	—	—
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	—	—	—	—
	At the end of the year				
1	Beda Nand Choudhary	—	—	—	—
2	Ram Kumar Dalmia	—	—	—	—
3	Atul Kaushik	—	—	—	—
4	Pritha Sinha Pandey	—	—	—	—
5	Sarika Kedia	—	—	—	—

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	₹3,43,476	₹11,68,64,300	—	₹11,72,07,776
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	₹3,43,476	₹11,68,64,300	—	₹11,72,07,776
Change in Indebtedness during the financial year				
• Addition	—	₹57,99,99,877	—	₹57,99,99,877
• Reduction	₹3,43,476	—	—	₹3,43,476
Net Change	(₹3,43,476)	₹57,99,99,877	—	₹57,96,56,401
Indebtedness at the end of the financial year				
(i) Principal Amount	—	₹69,68,64,177	—	₹69,68,64,177
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	—	₹69,68,64,177	—	₹69,68,64,177

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Managing Director, Whole Time Director and / or Manager (₹)
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of Perquisites u/s 17(2) of the Income-Tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	— — —
2	Stock Option	—
3	Sweat Equity	—
4	Commission - As % of profit - Others, specify	—
5	Others, Please Specify	—
	Total	—
	Ceiling as per the Act	NOT APPLICABLE

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of the Director(s)				Total Amount (₹)
		Mr. Beda Nand Choudhary	Mr. Ram Kumar Dalmia	Mr. Atul Kaushik	Ms. Pritha Sinha Pandey	
1	Independent Directors • Fee for attending Board/ Committee Meetings • Commission • Others, Please specify	— — —	— — —	— — —	— — —	— — —
	Total (1)	—	—	—	—	—
2	Other Non-Executive Directors • Fee for attending Board/ Committee Meetings • Commission • Others, Please specify	— — —	— — —	— — —	— — —	— — —
	Total (2)	—	—	—	—	—
	Total (B) = (1 + 2)	—	—	—	—	—
	Total Managerial Remuneration	—	—	—	—	—
	Ceiling as per the Act	NOT APPLICABLE				

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	CEO	Ms. Sarika Kedia Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	—	₹3,30,016	—	₹3,30,016
	(b) Value of Perquisites u/s 17(2) of the Income-Tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission - As % of profit - Others, specify	—	—	—	—
5	Others, Please Specify	—	—	—	—
	Total	—	₹3,30,016	—	₹3,30,016
	Ceiling as per the Act	NOT APPLICABLE			

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Place: Kolkata
Date: 13th August, 2019

For & on behalf of the Board

Registered Office:
Raj Kamal Building, 1st Floor
128, Rash Behari Avenue, Kolkata – 700029

Beda Nand Choudhary
Whole-time Director
(DIN – 00080175)

Ram Kumar Dalmia
Director
(DIN – 00080549)

ANNEXURE - II
FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
MATHEW EASOW RESEARCH SECURITIES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mathew Easow Research Securities Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable to the Company during the Audit Period.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable to the Company during the Audit Period.**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit Period;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable to the Company during the Audit period;**
- (vi) Other specific business/industry related laws that are applicable to the Company, viz. NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications issued by the Reserve Bank of India.

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

- (i) Secretarial Standards of the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observation:

- A. During the period under review, except Company Secretary, the office of Key Managerial Personnel remained vacant.
- B. The Company has approved and uploaded its last quarter results i.e. 31.03.2018 with Stock Exchanges on 5th June, 2018 for which an amount of Rs. 35,000/- was imposed by the stock exchange as penalty for such non compliance.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. Adequate notice was given to all Directors in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings, Committee Meetings as recorded in the minutes books of the Company were carried out unanimously.

I further report that as represented by the Company and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

I further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity.
- (ii) Redemption / buy-back of securities
- iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013: The Company obtained approval of shareholders vide resolution dated 28.09.2018 under Section 180(1)(a) and under section 180(1)(c) of the Companies Act, 2013 to increase the borrowing limit up to Rs. 100.00 Crores.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

I further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For JAGANNATH KAR
Company Secretaries

JAGANNATH KAR
Proprietor
C.P. No.: 7591

Place: Kolkata
Date: 13-08-2019

Note: This report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

Annexure 'A'

To,
The Members,
MATHEW EASOW RESEARCH SECURITIES LIMITED

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

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

For JAGANNATH KAR
Company Secretaries
JAGANNATH KAR
Proprietor
C.P. No.: 7591

Place: Kolkata
Date: 13-08-2019

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MATHEW EASOW RESEARCH SECURITIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MATHEW EASOW RESEARCH SECURITIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We did not come across any matter of such material significance to be reported in this section.

Other Information

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

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

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

We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe

these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory

1. As required by section 143(3) of the Act, based on our audit we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”;
 - g. with respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any managerial remuneration and as such the provisions of section 197 of the Act are not applicable; and
 - h. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has does not have any pending litigations and hence there is no disclosure of the same in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For BHANDARI B. C. & CO.
Chartered Accountants
Firm Registration No.311082E
B.C. Bhandari, FCA
Partner
ICAI Membership No.50196

Kolkata
28th May, 2019

ANNEXURE - A TO AUDITORS' REPORT
REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143
OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Mathew Easow Research Securities Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For BHANDARI B. C. & CO.
Chartered Accountants
Firm Registration No.311082E

Kolkata
28th May, 2019

B.C. Bhandari, FCA
Partner
ICAI Membership No.50196

ANNEXURE - B TO THE AUDITORS' REPORT

Referred to in paragraph 2 under Report on Other Legal and Regulatory Requirements of the Auditors' Report of even date to the members of Mathew Easow Research Securities Limited on the financial statements for the year ended 31st March, 2019.

- (i) (a) Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, inventories in the form of shares and securities have been verified by the management at reasonable intervals to the extent possible and practical and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act, and therefore, the provisions of clauses (iii)(a), (iii)(b) & (iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees, and security, the company was not required to comply with the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintain cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute except dues of GST amounting to Rs.1.37 lakhs (Prev year Rs.0.71 lakhs which could not be deposited due to technical reasons in migration/provisional registration of GST.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year under audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is required to, and has been registered under section 45-IA of the Reserve Bank of India Act 1934 as Non-Deposit accepting Non Banking Financial Company.

Kolkata
28th May, 2019

For BHANDARI B. C. & CO.
Chartered Accountants
Firm Registration No.311082E
B.C. Bhandari, FCA
Partner
ICAI Membership No.50196

BALANCE SHEET AS AT 31ST MARCH, 2019

	NOTE	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
<u>EQUITY & LIABILITIES</u>			
SHAREHOLDERS' FUNDS			
Share Capital	1	6,65,00,000	6,65,00,000
Reserves & Surplus	2	6,90,01,142	6,76,99,008
		<u>13,55,01,142</u>	<u>13,41,99,008</u>
NON CURRENT LIABILITIES			
Long-term borrowings	3	—	1,02,686
Deferred Tax Liabilities	4	1,10,096	1,74,111
		<u>1,10,096</u>	<u>2,76,797</u>
CURRENT LIABILITIES			
Short-term borrowings	5	69,68,64,177	11,68,64,300
Other current liabilities	6	13,28,285	24,77,974
Short-term provisions	7	51,34,663	37,24,021
		<u>70,33,27,125</u>	<u>12,30,66,295</u>
		<u>83,89,38,363</u>	<u>25,75,42,100</u>
<u>ASSETS</u>			
NON CURRENT ASSETS			
Fixed Assets			
- Tangible Assets	8	33,79,570	46,64,130
Long-term loans and advances (Unsecured, considered good)			
- Security Deposit		45,523	45,523
		<u>34,25,093</u>	<u>47,09,653</u>
CURRENT ASSETS			
Inventories	9	1,14,59,084	51,31,546
Cash & Bank balances	10	39,29,064	46,79,318
Short Term Loans and Advances	11	82,01,25,121	24,30,21,583
		<u>83,55,13,269</u>	<u>25,28,32,447</u>
		<u>83,89,38,363</u>	<u>25,75,42,100</u>
Significant Accounting Policies and Notes to Financial Statements	18		

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 28th May, 2019

Sarika Kedia
Company Secretary

Ram Kumar Dalmia
Director
(DIN-00080549)

For and on behalf of the Board

Beda Nand Choudhary
Director
(DIN-00080175)

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

	NOTE	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
INCOME			
Revenue from Operations	12	3,47,49,959	4,10,88,308
Other Income	13	1,97,619	46,519
		3,49,47,578	4,11,34,827
EXPENDITURE			
Purchases of Stock in trade		1,73,70,664	1,97,15,927
Changes in Inventories of Stock in trade	14	(63,27,538)	(50,19,587)
Employee Benefits Expenses	15	5,02,216	58,65,197
Finance Cost	16	1,00,21,448	88,95,388
Depreciation and amortisation expenses	8	12,84,560	7,17,952
Other Expenses	17	67,34,775	37,37,924
		2,95,86,125	3,39,12,801
PROFIT BEFORE PROVISIONS & TAX		53,61,453	72,22,026
Provisions on Sub-standard Assets		7,15,725	7,08,541
Contingent Provisions on Standard Assets		13,24,917	1,20,282
PROFIT BEFORE TAX		33,20,811	63,93,203
Less: Tax Expense - Current tax		17,00,000	18,50,000
- Deferred Tax		(64,015)	(8,388)
- Income tax for earlier years		3,82,692	—
PROFIT FOR THE YEAR		13,02,134	45,51,591
Basic/Diluted earning per share		0.20	0.68
Significant Accounting Policies and Notes to Financial Statements	18		

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 28th May, 2019

Sarika Kedia
Company Secretary

Ram Kumar Dalmia
Director
(DIN-00080549)

For and on behalf of the Board

Beda Nand Choudhary
Director
(DIN-00080175)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 (₹)	2017-18 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	33,20,811	63,93,203
Adjustments for:		
Depreciation	12,84,560	7,17,952
Provisions for Sub-standard assets	7,15,725	7,08,541
Contingent Provisions on Standard Assets	13,24,917	1,20,282
Finance Costs	1,00,21,448	88,95,388
Operating Profit Before Working Capital Changes	1,66,67,461	1,68,35,366
Adjustments for:		
(Increase) / Decrease in Inventories	(63,27,538)	(50,19,587)
(Increase) / Decrease in Loans & Advances	(57,79,55,225)	(5,00,66,239)
Increase / (Decrease) in Current Liabilities	(11,49,690)	(44,92,621)
Cash Generated from Operations	(56,87,64,992)	(4,27,43,080)
Taxes Paid	(18,61,005)	(13,49,181)
Net Cash from Operating Activities	(57,06,25,997)	(4,40,92,261)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Fixed Assets	—	(24,51,975)
Net Cash from Investing Activities	—	(24,51,975)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured Loan-Car Loan	(1,02,686)	(2,70,134)
Unsecured Loan-Short term borrowings	57,99,99,877	5,14,90,778
Finance Costs	(1,00,21,448)	(88,95,388)
Net Cash from Financing Activities	56,98,75,743	4,23,25,256
Net Increase/ (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(7,50,254)	(42,18,980)
Cash & Cash Equivalents at the beginning of the year	46,79,318	88,98,298
Cash & Cash Equivalents at the end of the year	39,29,064	46,79,318

Notes:

- The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 on "Cash Flow Statement".
- Cash and Cash Equivalents include Cash-in-Hand and Bank balances in Current accounts. (Refer Note No.10)
- Figures in brackets indicate Cash outflow.

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 28th May, 2019

Sarika Kedia
Company Secretary

For and on behalf of the Board
Ram Kumar Dalmia
Director
(DIN-00080549)

Beda Nand Choudhary
Director
(DIN-00080175)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
NOTE-1 : SHARE CAPITAL		
Authorised Capital		
17000000 Equity shares of Rs 10/- each	17,00,00,000	17,00,00,000
100000 Preference Shares of Rs.100/- each	1,00,00,000	1,00,00,000
	<u>18,00,00,000</u>	<u>18,00,00,000</u>
Issued, Subscribed & Paid-up Capital		
6650000 Equity Shares of Rs. 10/- each fully paid-up	6,65,00,000	6,65,00,000
	<u>6,65,00,000</u>	<u>6,65,00,000</u>
<p>The Company has only one class of equity share having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities in proportion to their shareholding.</p>		
The details of Shareholders holding more than 5% shares:		
	No. of shares (%) as at 31.3.2019	No. of shares (%) as at 31.3.2018
Mathew Easow Fiscal Services Limited	1495946 (22.50%)	1495946 (22.50%)
Vista Vyapaar Private Limited	584397 (08.79%)	584397 (08.79%)
Sunil Ghorawat	425175 (06.39%)	425175 (06.39%)
NOTE-2 : RESERVES & SURPLUS		
Securities Premium Account		
Balance at beginning of the year	3,65,00,000	3,65,00,000
Balance at end of the year	<u>3,65,00,000</u>	<u>3,65,00,000</u>
Special Reserve u/s 45IC		
Balance at beginning of the year	97,94,652	88,84,334
Add: 20% of current year profit	2,60,427	9,10,318
Balance at end of the year	<u>1,00,55,079</u>	<u>97,94,652</u>
Profit & Loss Account-Credit balance		
Balance at beginning of the year	2,14,04,356	1,77,63,083
Add: Profit for the year	13,02,134	45,51,591
	<u>2,27,06,490</u>	<u>2,23,14,674</u>
Less: Appropriation to Reserve Fund for current year profits	2,60,427	9,10,318
Balance at end of the year	<u>2,24,46,063</u>	<u>2,14,04,356</u>
	<u>6,90,01,142</u>	<u>6,76,99,008</u>
NOTE-3 : LONG TERM BORROWINGS		
Secured:		
from Corporation Bank (against hypothecation of specific motor car financed)	—	3,43,476
	<u>—</u>	<u>3,43,476</u>
Less: Current Maturities of above	—	2,40,790
	<u>—</u>	<u>1,02,686</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
NOTE-4 : DEFERRED TAX LIABILITY		
Tax impact of differences between carrying amount of Fixed Assets in the financial statements and Income Tax	1,10,096	1,74,111
	1,10,096	1,74,111
NOTE-5 : SHORT TERM BORROWINGS		
Unsecured: from Companies	69,68,64,177	11,68,64,300
	69,68,64,177	11,68,64,300
NOTE-6 : OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings (see note-3)	—	2,40,790
Advance interest received but not due	—	11,24,940
Liabilities for Expenses	1,11,433	1,46,497
Profession Tax Payable	150	8,900
GST Payable	1,37,515	71,305
TDS Payable	10,79,187	8,85,542
	13,28,285	24,77,974
NOTE-7 : SHORT TERM PROVISIONS		
Provision for tax	17,00,000	23,30,000
Provisions on Sub-standard Assets	14,24,266	7,08,541
Contingent Provisions on Standard Assets	20,10,397	6,85,480
	51,34,663	37,24,021

NOTE-8 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-2018 ₹	Additions ₹	Deduction/ Adjustment ₹	As on 31-03-2019 ₹	Upto 31-03-2018 ₹	For the year ₹	Adjustments ₹	Upto 31-03-2019 ₹	As at 31-03-2019 ₹	As at 31-03-2018 ₹
	Tangible Assets									
Office Premises	20,51,305	—	—	20,51,305	10,26,307	99,722	—	11,26,029	9,25,276	10,24,998
Computer	25,19,215	—	—	25,19,215	2,52,256	7,88,726	—	10,40,981	14,78,234	22,66,960
Furniture & Fixture	10,24,943	—	—	10,24,943	10,20,840	—	—	10,20,840	4,103	4,103
Office Equipment	6,58,025	—	—	6,58,025	5,13,388	24,124	—	5,37,512	1,20,513	1,44,637
Motor Car	29,91,391	—	—	29,91,391	17,67,958	3,71,988	—	21,39,946	8,51,445	12,23,433
CURRENT YEAR	92,44,879	—	—	92,44,879	45,80,749	12,84,560	—	58,65,309	33,79,570	46,64,130
PREVIOUS YEAR	67,92,904	24,51,975	—	92,44,879	38,62,797	7,17,951	—	45,80,749	46,64,130	29,30,107

NOTE-9 : INVENTORIES

(As taken valued and certified by the management)

Shares & Securities	1,14,59,084	51,31,546
	1,14,59,084	51,31,546

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
NOTE-10: CASH & BANK BALANCES		
Cash and Cash Equivalents		
Balance with Bank in Current Accounts	35,29,791	40,11,322
Cash in hand	3,99,273	6,67,996
	39,29,064	46,79,318
NOTE-11: SHORT TERM LOANS AND ADVANCES		
(unsecured, considered good, unless otherwise mentioned)		
Loans - Standard Assets (secured) (a)	3,34,59,268	5,64,45,287
(unsecured) (b)	77,06,99,604	17,20,48,143
- Sub-standard Assets (c)	1,42,42,660	70,85,409
(a+b+c)	81,84,01,532	23,55,78,839
Advances (recoverable in cash or in kind or for value to be received)		
Advances	—	42,21,837
Interest accrued on loans but not due	—	7,22,327
GST input credit (to be availed)	76,696	—
Income Tax Payments & TDS Asst year 2016-17	6,379	6,379
Income Tax Payments & TDS Asst year 2017-18	43,196	11,38,518
Income Tax Payments & TDS Asst year 2018-19	—	13,53,683
Income Tax Payments & TDS Asst year 2019-20	15,97,318	—
	82,01,25,121	24,30,21,583
NOTE-12 : REVENUE FROM OPERATIONS		
Interest	2,34,21,135	2,70,53,614
Processing fee, documentation, preclosure charges	3,88,394	10,12,759
Consultancy Fee	3,07,848	—
Dividend	71,347	—
Sales	1,05,54,441	1,30,23,413
Profit /(Loss) in Derivative and Rate Difference Transactions (Net)	6,794	(1,478)
	3,47,49,959	4,10,88,308
NOTE-13 : OTHER INCOME		
Interest on IT Refund	45,561	—
Miscellaneous Income	1,52,058	46,519
	1,97,619	46,519
NOTE-14 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Inventories (at year end)		
Closing Stock of shares & securities	1,14,59,084	51,31,546
Inventories (at Commencement)		
Opening Stock of shares & securities	51,31,546	1,11,959
	(63,27,538)	(50,19,587)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

	As at 31.3.2019 (₹)	As at 31.3.2018 (₹)
NOTE-15 : EMPLOYEE BENEFITS EXPENSES		
Salaries & Bonus	5,02,216	58,65,197
	<u>5,02,216</u>	<u>58,65,197</u>
NOTE-16 : FINANCE COST		
Interest on Car Loan	21,584	50,079
Interest on Short-term borrowing	99,99,864	88,45,309
	<u>1,00,21,448</u>	<u>88,95,388</u>
NOTE-17 : OTHER EXPENSES		
Advertisement	41,282	24,843
Audit Fees	81,000	75,000
Bad Debts	—	5,09,130
Bank Charges	4,637	13,252
Books & Periodicals	46,950	2,809
Brokerage & Commission	14,86,000	3,64,944
Car Insurance	24,252	17,000
Consultancy & Professional Fees	15,60,000	6,38,979
Custodian Charges	63,818	78,663
Demat Charges	1,801	2,178
Donation	50,000	—
Electricity Charges	11,280	16,380
Filing Fees	3,600	7,200
Interest on TDS	43,211	6,804
Interest on delayed payments	963	11,103
Internal Audit Fees	20,000	20,000
Listing Fees	2,91,300	3,07,625
Misc Expenses	48,144	10,168
Motor Car Running & Maintenance	1,29,401	94,515
Office Expenses	76,384	20,670
Postage & Courier	1,00,641	50,966
Printing & Stationery	1,15,649	86,660
Rates & Taxes	7,200	26,210
Repair & Maintenance	24,381	24,381
Share Registrar & Transfer Agent Fee	14,076	40,733
Service Tax & GST Expenses	—	63,407
Telephone Charges	62,389	30,240
Travelling & Conveyance	24,01,716	11,77,694
Website Maintenance Expenses	24,250	16,370
	<u>67,34,775</u>	<u>37,37,924</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

NOTE-18: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

- A. Mathew Easow Research Securities Limited ("the Company"), is a Public Limited company engaged in investment and finance activities and is registered as a Non-Banking Financial (Non-Deposit Accepting) Company with the Reserve Bank of India vide Registration no.: 05.002088 dated 06.05.1998 and its equity shares are currently quoted on the Bombay Stock Exchange and Calcutta Stock Exchange Ltd.
- B. The financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.
- C. INCOME RECOGNITION is based on recognised accounting principles and as per Accounting Standard-9 issued by Institute of Chartered Accountants of India. Further, interest Income or any other charges on NPA are recognised only when they are actually realised.
- D. RESERVE FUND: 20% of profits are transferred to Reserve Fund created u/s 45IC of the Reserve Bank of India Act, 1934.
- E. FIXED ASSETS are stated at original cost of acquisition (including related incidental expenses) reduced by depreciation.
- F. DEPRECIATION has been provided under Straight Line Method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.
- G. INVENTORIES: Inventories being shares and securities are valued in the following manner:
- a. Quoted shares and securities are valued at cost or market value whichever is lower.
 - b. Unquoted shares and securities are valued at cost.
- H. PROVISIONS:
- a. PROVISIONS IN ACCORDANCE WITH NON-BANKING FINANCIAL COMPANY –NON-SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016:
 1. The Company has made 100% provision on Doubtful Assets to the extent to which the advance is not covered by the realisable value of the security to which the company has a valid recourse.
 2. The Company has made a general provision of 10% of total outstanding Sub-standard assets.
 3. The Company has made Contingent Provisions on Standard Assets @ 0.25% on Standard Assets.
 - b. PROVISION FOR TAXES: Provision for the current tax is based on tax liability computed in accordance with relevant tax rates and tax laws. Provision on deferred tax is made for all timing differences arising between taxable incomes and accounting income at rates that have been enacted or substantively enacted as of the Balance Sheet date. The tax expense for the year, comprising of the current tax and deferred tax is included in determining the net profit/loss for the year.
- I. As the Company has no activities other than those of a Non-Banking Financial Company, the segment reporting under Accounting Standard 17 – "Segment Reporting" is not applicable. The Company does not have any reportable geographical segment.
- J. Payments to Statutory Auditors:
- | Particulars | Current year (₹) | Previous year (₹) |
|---------------|------------------|-------------------|
| Audit Fee | 60,000.00 | 60,000.00 |
| Tax Audit Fee | 15,000.00 | 15,000.00 |
| TOTAL | 75,000.00 | 75,000.00 |
- K. There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Accounting Standard-15 have not been complied.

- L. Separate disclosures for the amount due to Small Scale Industrial undertakings under the head Current Liabilities/ Creditors could not be made as the Company does not possess the requisite information.
- M. The Micro, Small and Medium Enterprises Development Act, 2006 mandates disclosure related to payment and accrual of interest on delayed payments to suppliers classified as Micro, Small and Medium Enterprises under the Act. The Company has not received intimation from any of its suppliers regarding the status of their registration under the said Act and hence separate disclosures could not be made.
- N. Information given in accordance with the requirements of Accounting Standard-18 on Related Party Disclosures issued by Institute of Chartered Accountants of India:

List of Related Parties

- i. ENTERPRISES WHERE CONTROL EXISTS
- a) Gaylord Commercial Co. Ltd
 - b) Mathew Easow Fiscal Services Limited
 - c) Vista Vyapaar Private Limited
- ii. KEY MANAGEMENT PERSONNEL
- Sarika Kedia Company Secretary

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Transaction with Related Parties

i. Salary	- Sarika Kedia Outstanding as on reporting date	Rs. 3,30,016/- NIL	Prev Yr Prev Yr	Rs. 3,21,200/- NIL
O. Details of Earnings per share :-				
		Current year (₹)		Previous year (₹)
Net Profit as per Profit and Loss Account		13,02,134		45,51,591
Weighted average number of shares for computing Basic and Diluted earnings per share		6650000		6650000
Earnings per share (Weighted average) (As per Accounting Standard 20 – Earnings Per Share) Basic and Diluted		0.20		0.68
P. Contingent liabilities: Liability for calls on Partly Paid Shares		Rs.92,200/-		Prev Yr: Rs.92,200/-

Q. Previous year's figures have been regrouped/rearranged where necessary to conform to this years' classification.

As per our Report of even date.

For **Bhandari B.C. & Co.**
Chartered Accountants
Firm Registration No.311082E
B. C. Bhandari, FCA
Partner
Membership No. 50196
Kolkata, 28th May, 2019

Sarika Kedia
Company Secretary

For and on behalf of the Board

Ram Kumar Dalmia Director (DIN-00080549)	Beda Nand Choudhary Director (DIN-00080175)
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2	Other than related parties	333.76	7815.91	8149.67
	TOTAL	333.76	7815.91	8149.67
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :				
Please see Note 2 below.				
	Category	Market Value / Break up or fair value or N A V	Book Value (Net of Provisions)	
1	Related Parties**			
	(a) Subsidiaries	Nil		Nil
	(b) Companies in the same group	Nil		Nil
	(c) Other related parties	Nil		Nil
2	Other than related parties	Nil		Nil
	TOTAL	Nil		Nil
** As per Accounting Standard of ICAI (Please see Note 3)				
(8) Other information				
	Particulars	AMOUNT		
	(i) Gross Non-Performing Assets			
	(a) Related Parties			Nil
	(b) Other than related parties			142.42
	(ii) Net Non-Performing Assets			
	(a) Related Parties			Nil
	(b) Other than related parties			128.18
	(iii) Assets acquired in satisfaction of debt			Nil

Notes:

1. As defined in point xix of paragraph 3 of Chapter 2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
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, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

For and on behalf of the Board

Kolkata, 28th May, 2019

Sarika Kedia
Company Secretary

Ram Kumar Dalmia
Director
(DIN-00080549)

Beda Nand Choudhary
Director
(DIN-00080175)

MATHEW EASOW RESEARCH SECURITIES LIMITED

CIN: L74910WB1994PLC064483

Regd. Office: "Rajkamal Building" 128, Rashbehari Avenue, 1st Floor, Kolkata 700029
Tel. No.: 033 2464 7022 / 4066 0354, Fax No.: 033 4066 0354, Website: www.mersl.co.in, Email: mers.ltd@gmail.com

ATTENDANCE SLIP

(25TH ANNUAL GENERAL MEETING ON MONDAY, 30TH SEPTEMBER, 2019 AT 9.30A.M.)

Registered Folio / DP & Client ID No.	
Name and address of the Shareholder(s)	

I/We hereby record my/our presence at the 25th Annual General Meeting of the Company held on Monday, 30th September, 2019 at 9.30A.M. at Surya Sen Mancha, 432, Prince Anwar Shah Road, Kolkata 700068

Members's Folio/DP ID/Client ID No.

Member's / Proxy's name in Block Letters

Member's / Proxy's signature

Note: Please complete the Folio/DP ID & Client ID No. and name, sign this attendance slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password

TEAR HERE

FORM NO. MGT-11

PROXY FORM

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

CIN : L74910WB1994PLC064483

Name of the Company : **MATHEW EASOW RESEARCH SECURITIES LIMITED**

Registered Office : "Rajkamal Building" 128, Rashbehari Avenue, 1st Floor, Kolkata 700029

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

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

- Name :
Address :
E-mail ID :
Signature: _____, or failing him/her;
- Name :
Address :
E-mail ID :
Signature: _____, or failing him/her;
- Name :
Address :
E-mail ID :
Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held on Monday, 30th September, 2019 at 9.30A.M. at Surya Sen Mancha, 432, Prince Anwar Shah Road, Kolkata 700068 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Resolution No.	Proposed Resolution	For	Against
1	Adoption of Audited Financial Statements for the year ended 31st March, 2019.		
2	Approval to re-appoint Mr. Beda Nand Choudhary, Director, who retires by rotation		
3	Appointment of M/s. Gupta & Manglik, Chartered Accountants, as Statutory Auditors and fix their remuneration.		
4	Appointment of Mr. Beda Nand Choudhary as Whole Time Director, who shall be liable to retire by rotation.		


Signed this day of, 2019.

Signature of Shareholder(s) Signature of Proxyholder(s).....

**Affix
Revenue
Stamp**

Note: The form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

9831069094
08/19



If undelivered please return to:

Mathew Easow Research Securities Limited

Regd. Office: Rajkamal Building 128, RashBehari Avenue, 1st Floor, Kolkata 700 029