

**MATHEW EASOW RESEARCH
SECURITIES LIMITED**

ANNUAL REPORT

2019-20

MATHEW EASOW RESEARCH SECURITIES LIMITED
CIN: L74910WB1994PLC064483

**BOARD OF DIRECTORS
& KMP**

Mr. Beda Nand Choudhary – Whole-time Director
Mr. Nirmal – Director
Mr. Atul Kaushik – Director
Mrs. Pritha Sinha Pandey – Director

AUDITORS

M/s. Gupta & Manglik
Chartered Accountants
Kolkata

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Mrs. 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 no.: (033) 4072 4054
Facsimile no.: (033) 4072 4050
E Mail: mcssta@rediffmail.com

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of Mathew Easow Research Securities Limited will be held on Wednesday, the 30th day of September, 2020 at 11.30 A.M. through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility 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 2020 and reports of the Board of Directors and the Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Pritha Sinha Pandey (DIN- 07016238), who retires by rotation and being eligible offers herself for re-appointment.

AS SPECIAL BUSINESS:

3. Appointment of Mr. Nirmal as Independent Director of The Company

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

"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules'), including any statutory modification(s) or any amendment or any substitution or any re-enactment thereof for the time being in force, Mr. Nirmal (DIN - 08719398), who was appointed as an Additional Director in the category of Independent Director by the Board with effect from 14th March, 2020 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years commencing from 14th March, 2020 to 13th March, 2025, not liable to retire by rotation."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

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

Place: Kolkata
Date: 24th August, 2020

Sarika Kedia
Company Secretary

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 26th AGM shall be the Registered Office of the Company.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with Annual Report 2019-20 is being sent only through electronic mode to those members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice calling the AGM along with Annual Report has been uploaded on the website of the Company at www.mersl.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. The AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and SEBI circular dated May 12, 2020.
8. The members seeking any information with regards to accounts or any other matters to be placed at the AGM, are requested to write to the Company in advance through email at mers.ltd@gmail.com. The same will be replied by the Company suitably.
9. 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. Brief profile of the directors proposed to be appointed is set out in the Explanatory Statement to this Notice.
10. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to mers.ltd@gmail.com from their registered e-mail address.
11. Members holding shares in physical form are requested to inform the Company's Registrars and Transfer Agents, M/s. MCS Share Transfer Agent Limited (RTA), immediately of any change in their address and bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the Members.

12. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA as the same is mandated by the Securities and Exchange Board of India.
13. In terms of SEBI Notifications, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not being processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
14. The Company request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their email address with details of their Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card as identity proof) and AADHAAR (self attested scanned copy of Aadhaar Card as address proof) by sending an e-mail to the M/s. MCS Share Transfer Agent Limited at mcssta@rediffmail.com or to the Company at mers.ltd@gmail.com.
15. Institutional/Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutinizer by e-mail through its registered e-mail address to jagannathcs@hotmail.com with a copy marked to evoting@nsdl.co.in.
16. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive).
17. **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. Wednesday, September 23, 2020, shall be entitled to avail the facility of remote e-voting as well as e-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. Wednesday, September 23, 2020, shall be entitled to exercise his/her vote by following the procedure mentioned in this part.
 - IV. The remote e-voting will commence on Sunday, September 27, 2020 at 9.00 a.m. and will end on Tuesday, September 29, 2020 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 of Wednesday, September 23, 2020 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. 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.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
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 the Company for which you wish to cast your vote.
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 to or contact Mr. Amit Vishal, Senior Manager/Ms. Pallavi Mhatre, Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013 at telephone no. 022- 24994360/022 24994545 or at E-mail id 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. Wednesday, September 23, 2020.
- v. 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. Wednesday, September 23, 2020, may obtain the login Id and password by sending a request at evoting@nsdl.co.in.
- vi. 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.
- vii. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.
- viii. The Company has appointed CS Jagannath Kar, Practicing Company Secretary (Membership No. 20600; CP No: 7591), to act as the Scrutinizer for conducting the remote e-voting process as well as casting vote through the e-Voting system during the Annual General Meeting in a fair and transparent manner.
- ix. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
- x. The Results of voting will be declared within 48 hours from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company i.e. www.mersl.co.in and on the website of NSDL and shall be forwarded to the stock exchanges, BSE Limited.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending from their registered email address mentioning their name, demat account number/folio number, email id, mobile number at mers.ltd@gmail.com at latest 5 days before the date of AGM. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
6. Shareholders can submit questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address mentioning their name, demat account number/folio number, email id, mobile number at mers.ltd@gmail.com at least 5 days before the date of AGM. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
9. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager-NSDL at amitv@nsdl.co.in / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in/ 022-24994545.

19. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card as identity proof) and AADHAAR (self attested scanned copy of Aadhaar Card as address proof) by sending an e-mail to the M/s. MCS Share Transfer Agent Limited at mcssta@rediffmail.com or to the Company at mers.ltd@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to mers.ltd@gmail.com.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

20. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

21. 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	Mrs. Pritha Sinha Pandey
Date of Birth	25.07.1980
Qualification	LL.B, ACS
Expertise in specific functional areas	Over eight years experience inter alia in the field of Legal and Corporate law matters.
Details of remuneration to be paid, if any	No remuneration has been paid or proposed to be paid.
Shareholding in the Company	NIL
Relationship with other directors or KMPs	She 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

Name of the Director	Mr. Nirmal
Date of Birth	03.04.1994
Qualification	M.Com
Expertise in specific functional areas	He has over 5 years experience inter alia in the field of Taxation and Finance.
Details of remuneration to be paid, if any	No remuneration has been paid or proposed to be paid.
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	J R D Finance Limited
Committee Membership in other listed companies	Audit Committee and Nomination & Remuneration Committee

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

Place: Kolkata
Date: 24th August, 2020

Sarika Kedia
Company Secretary

ANNEXURE TO NOTICE

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

Item No. 3:

The Board of Director of the Company at their meeting held on 14th March, 2020 appointed Mr. Nirmal (DIN: 08719398) as an Additional Director of the Company with effect from 14th March, 2020, pursuant to Section 161 of Companies Act, 2013.

Pursuant to the provision of Companies Act, 2013, Mr. Nirmal (DIN: 08719398) will hold office up to the date of ensuing Annual General Meeting. The Company has received notice in writing under the provision of Section 160 of Companies Act, 2013, from a member, proposing the candidature of Mr. Nirmal (DIN: 08719398) for the office of Independent Director. A brief profile and other details of Mr. Mr. Nirmal (DIN: 08719398) are given in point no. 21 to this notice.

The Company has received the consent from Mr. Nirmal (DIN: 08719398) to act as the director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification Of Directors) Rules 2014, along with intimation in Form DIR 8 in terms of Companies (Appointment & Qualification Of Directors) Rules 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of Companies Act, 2013, and a declaration to the effect that he meets the criteria of independence as provided in Sub Section (6) of Section 149 of the Companies Act, 2013. He, along with his relatives does not hold any shares in the Company.

The Resolution seeks the approval of Company by way of ordinary resolution for the appointment of Mr. Nirmal (DIN: 08719398) as an Independent Director of the Company for a term of consecutive 5 years from 14th March, 2020 to 13th March, 2025 pursuant to Section 149 of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

Except Mr. Nirmal, none of the Promoters, Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the above referred resolution.

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

Place: Kolkata
Date: 24th August, 2020

Sarika Kedia
Company Secretary

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Twenty Sixth Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2020.

1. FINANCIAL HIGHLIGHTS

The financial results of the Company are summarized below:

(₹ in Lakhs)

Particulars	For the Financial Year ended 31.03.2020	For the Financial Year ended 31.03.2019
Total Income	494.53	349.47
Less: Total Expenses	479.71	316.26
Profit before tax	14.82	33.21
Less: Tax Expenses		
Current Tax	(1.38)	20.83
Deferred Tax	2.63	(5.59)
Profit after tax	13.57	17.97

2. OPERATIONS & THE STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue from operation of the Company is ₹ 494.53 Lakhs as compared to ₹ 349.47 Lakhs during the previous year while the profit after tax is ₹ 13.57 Lakhs as compared to ₹ 17.97 Lakhs 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 cleaning of advances by writing it off. However the company will continue to focus on its present business activities.

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global financial markets and slowdown in the economic activities. The novel corona virus (COVID-19) pandemic continues to spread rapidly across the globe including India. COVID -19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced variety of measures to contain the spread of the virus. The Indian Government had announced countrywide lockdown. The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the Management is of the view that impact of COVID-19 on the operations of the Company will depend on future developments which are highly uncertain. The Company will continue to closely monitor any material changes to the future economic condition, which will be given effect to in the respective future period.

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 and paid-up share capital of the Company.

5. TRANSFER TO RESERVES

The Company proposed to transfer ₹ 2.71 Lakhs to Special Reserve created under Section 45-IC of the RBI Act, 1934. Except the said amount of ₹ 2.71 Lakhs, the Company has decided not to transfer any amount to the Reserves for the year under review.

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. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year ended 31st March, 2020, Your Company's Board comprised 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	Whole-time Director (Promoter)
Ms. Pritha Sinha Pandey	Non Executive (Woman Director)
Mr. Ram Kumar Dalmia*	Non Executive Independent Director
Mr. Atul Kaushik	Non Executive Independent Director
Mr. Nirmal	Non Executive Independent Director
Ms. Sarika Kedia	Company Secretary

* Mr. Ram Kumar Dalmia ceased to be a Director of the Company with effect from 20th February, 2020 due to unfortunate death.

Mr. Nirmal was appointed as the Additional Director of the Company in Independent Category with effect from 14th March, 2020 and who shall hold office upto the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provision of Section 160 of Companies Act, 2013, from a member, proposing the candidature of Mr. Nirmal (DIN: 08719398) for the office of Independent Director. Being eligible, the Board recommends his appointment as an Independent director of the Company subject to the approval of the members of the Company in the ensuing Annual general Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Pritha Sinha Pandey (DIN- 07016238), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment as a Director under Companies Act 2013.

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

Mr. Debi Prosad Mukherjee was appointed as the Chief Financial Officer of the Company with effect from 15th June, 2019. However he resigned from the post of Chief Financial Officer with effect from 1st November, 2019. The management of the Company is in process of filling vacancy of the post of Key Managerial Personnel (KMP) i.e. the Chief Financial Officer.

12. 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. However Mr. Debi Prosad Mukherjee resigned from the post of Chief Financial Officer of the Company with effect from 1st November, 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 KMP for FY 2019-20 (₹)	Previous Year Remuneration (₹)	% increase	Ratio of remuneration of each director/ to median remuneration of employees
1	Sarika Kedia (Company Secretary)	4,80,000/-	3,30,016/-	N.A.	0.00
2	Beda Nand Choudhary (Whole Time Director)	4,75,000/-	-	N.A.	0.00
3	Debi Prosad Mukherjee (Chief Financial Officer)*	1,24,870/-	-	N.A.	0.00

* Mr. Debi Prosad Mukherjee resigned with effect from 1st November, 2019.

Note: other than above none of the directors received any remuneration during the financial year ended 31st March, 2020.

- (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, 2020: 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 2019-20 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.

13. 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.

14. 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.

15. 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 Form MGT-9 as a part of this Report as ANNEXURE-I.

16. MEETINGS OF THE BOARD

During the financial year ended 31st March, 2020, 8 (Eight) Board meetings were held respectively on 10th April, 2019, 28th May, 2019, 15th June, 2019, 13th August, 2019, 13th September, 2019, 12th December, 2019, 12th February, 2020 and 14th March, 2020.

The attendances of Directors at these meetings are as follows:

Name of Directors	No. of Board Meetings Attended
Mr. Beda Nand Choudhary	8 of 8
Mr. Ram Kumar Dalmia	6 of 8
Mr. Atul Kaushik	8 of 8
Ms. Pritha Sinha Pandey	8 of 8
Mr. Nirmal	1 of 8

The intervening gap between any two meetings was within the period 120 days as prescribed under the Companies Act, 2013.

MEETINGS OF THE INDEPENDENT DIRECTORS

During the financial year ended 31st March, 2020, two meetings of the Independent Directors were held on 15th June, 2019 and 12th December, 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 meeting.

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 5 times to deliberate on various matters on 28th May, 2019, 13th August, 2019, 13th September, 2019, 12th December, 2019 and 12th February, 2020.

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

Name of Directors	Position Held	No. of Meetings Attended
Mr. Ram Kumar Dalmia*	Chairman	4
Mr. Nirmal	Chairman	-
Mr. Beda Nand Choudhary	Member	5
Mr. Atul Kaushik	Member	5

Mr. Ram Kumar Dalmia ceased to be a member of the Audit Committee with effect from 20th February, 2020 due to his death.

The Audit Committee was reconstituted on 14th March, 2020 as Mr. Nirmal was appointed as the new member and Chairman of the Audit Committee with effect from 14th March, 2020 in place of Mr. Ram Kumar Dalmia.

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 30th September, 2019 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. Nirmal, is the Non-Executive Independent Director. During the year under review, two meetings of Nomination and Remuneration Committee were held respectively on 15th June, 2019 and 14th March, 2020.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting of the Company held on 30th September, 2019.

The Composition and attendance of Nomination and Remuneration Committee is given below:

Name of Directors	Position Held	No. of Meetings Attended
Mr. Ram Kumar Dalmia*	Chairman	1
Mr. Nirmal	Chairman	-
Mr. Beda Nand Choudhary	Member	2
Mr. Atul Kaushik	Member	2

*Mr. Ram Kumar Dalmia ceases to be a member of the Nomination and Remuneration Committee with effect from 20th February, 2020 due to his death.

The Nomination and Remuneration Committee was reconstituted on 14th March, 2020 and Mr. Nirmal was appointed as the new member and Chairman of the Nomination and Remuneration Committee with effect from 14th March, 2020.

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:

Name of Directors	Positions held	No. of Meetings held	No. of Meetings attended
Mr. Ram Kumar Dalmia*	Chairman	4	3
Mr. Beda Nand Choudhary	Member	4	4
Mr. Atul Kaushik	Member	4	4
Mr. Nirmal	Chairman	4	-

*Mr. Ram Kumar Dalmia ceased to be a member of the Committee with effect from 20th February, 2020 due to his death.

During the financial year ended 31st March, 2020, four meetings of the Committee were held on 28th May, 2019, 13th August, 2019, 12th December, 2019 and 12th February, 2020.

The Investors' Grievance & Stakeholder's Relationship Committee was reconstituted on 14th March, 2020 and Mr. Nirmal was appointed as the new member and Chairman of the Committee.

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 2019-20 since the Net Worth is below ₹ 25.00 Crores and the Paid up equity share Capital of the Company is less than ₹ 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, 2020, 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, 2020 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, 2020 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. Gupta & Manglik, (Firm Registration No. 311118E), Chartered Accountants, were appointed as statutory auditors of the Company at the 25th Annual General Meeting (AGM) of the Company to hold office from the conclusion of the 25th Annual General Meeting for a tenure of consecutive 5 years till the conclusion of the 30th Annual General Meeting.

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.

The Statutory Auditors have not reported any incident of fraud of the Company during the financial year 2019-20.

Secretarial Auditor 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 2019-20. The Secretarial Audit Report for the Financial Year ended March 31, 2020 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 are 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.

33. GENERAL BODY MEETING:

Location & Time of Last 3 Annual General Meetings:

AGM	Date	Venue	Time	No. of Special Resolutions
25 th	30 th September, 2019	432, Prince Anwar Shah Road, Kolkata - 700068	9.30 A.M.	One
24 th	28 th September, 2018	432, Prince Anwar Shah Road, Kolkata - 700 068	9.30 A.M.	Two
23 rd	21 st September, 2017	432, Prince Anwar Shah Road, Kolkata - 700 068	9.30 A.M.	None

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.

34. GENERAL SHAREHOLDER INFORMATION

(i) Ensuing Annual General Meeting Details:

Day & Date	Wednesday, 30 th September, 2020
Venue	The Annual General Meeting shall be held through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility and the deemed venue for the 26 th AGM shall be the Registered Office of the Company
Time	11:30 a.m.
Book Closure Date	24 th September, 2020 to 30 th September, 2020 (both days inclusive)

(ii) The financial year of the Company covers 1st April, 2019 to 31st March, 2020.

(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 2020:

(a) ACCORDING TO CATEGORY OF HOLDING:

Category of Shareholders	No. of shares held	% of holding
Promoters		
Bodies Corporate	2080343	31.28
Non - Promoters		
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies FIIs'	672	0.01
Others	Nil	Nil
Private Corporate Bodies		
Indian Public	2206604	33.18
NRI/OCB	2348395	35.32
	13986	0.21
Total	6650000	100

(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:

Shareholding	Number of Share holders	% to total Shareholders	Number of shares	% to total Shares
1 - 500	2912	92.74	339469	5.11
501 - 1000	107	3.40	88009	1.32
1001 - 2000	41	1.31	66175	1.00
2001 - 3000	10	0.32	23768	0.36
3001 - 4000	10	0.32	36236	0.54
4001 - 5000	7	0.22	31369	0.47
5001 - 10000	12	0.38	97941	1.47
10001 - 50000	15	0.48	333294	5.01
50001 - 100000	11	0.35	875855	13.17
100001 and above	15	0.48	4757884	71.55
Total	3140	100.00	6650000	100.00

35. 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.

For & on behalf of the Board

Place: Kolkata
Date: 24th August, 2020

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

Pritha Sinha Pandey
(DIN -07016238)
Director

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Outlook

The Indian economy had been undergoing a slowdown because of stress in both financial and real sector. The World Health Organization (WHO) has declared the Novel Coronavirus (Covid-19) as a pandemic which has brought a long shadow over a much-anticipated mild recovery in the Indian economy. It has been predicted worldwide that the Covid-19 pandemic will be an economic tsunami for the world economy. However, though India may not fall into a recession, unlike Eurozone, USA, or Asia-Pacific that have stronger trade ties to China, it is anticipated that the impact on India's GDP growth would be significant.

India's gross domestic product growth is expected to be strengthened to 6.2% in the financial year 2021-22 with the help of the initiatives taken by government. Due to the worldwide spread of the corona virus, the impact on the economy will not be limited to just the slowdown in demand from China, but also as a result of lower demand from other affected regions.

The Indian government had declared complete lockdown to control the spread of the corona virus which has resulted in slowdown of economic activity. However, it is expected that domestic demand will grow back strongly once the lock downs are lifted and full economic activity resumes. The decline in oil prices is likely to moderate the foreign exchange outgo on the back of higher spending by the government to revive growth. During the year, the government has taken several steps to lift growth. The government in its Union Budget 2020 has focused on long-term policy direction, agricultural sector, education, infrastructure, healthcare, financial services and improving ease of doing business and better tax governance. The government has also taken steps to gain people's confidence and trust through assurance about the stability of the banking system, making proposals like decriminalizing specific provisions in the Companies Act, 2013, relooking at other laws, fine-tuning the Contract Act, increasing the deposit insurance and creating a taxpayers' charter in the statute to prevent harassment.

Industry Structure and Developments

Non-Banking Financial Companies (NBFC) have rapidly emerged as an important segment of the Indian financial system. Moreover, NBFCs assume significance in the small business segment as they primarily cater to the credit requirements of the unorganized sector such as wholesale & retail traders, small-scale industries and small borrowers at the local level. NBFC is a heterogeneous group of financial institutions, performing a wide range of activities like hire purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans etc.

Throughout the financial year 2019-20, defaults by a large NBFC continued to cast its shadow on the NBFC sector. The NBFCs witnessed stress in their asset quality during the first half year of 2019-20. The gross NPA ratio of the NBFC sector increased from 6.1 per cent as at end-March 2019 to 6.3 per cent as at end-September 2019.

RBI has been announcing various measures as part of response to the economic challenges faced by the industry, which will aid in liquidity flow into the system and should give relief to NBFCs. The importance of NBFCs in credit intermediation is growing, the default by a large NBFC brought the focus on the asset liability mismatches of NBFCs, which poses risks to the NBFC sector as well as the financial system as a whole.

Opportunities and Threats

The NBFCs largely cater to the informal and self-employed borrower segment and thus would face a higher impact due to income volatility at the customer's end arising by the lock down and disruption caused by Covid-19. The severity would be higher for customer segments whose income is from sectors which are most likely to have longer term impact such as travel, hospitality, etc.

The lock-down and consequent changes are likely to throw up new opportunities in public health and remote working. Extensive use of technology tools due to lock down is likely to result in faster adoption of technology in payments and Customer interactions. This will enable lenders to distribute products more efficiently. However, technology is also likely to disrupt traditional business models of some businesses. On March 27, 2020, RBI announced various measures to address the stress in financial conditions caused by

COVID-19. RBI permitted all lending institutions to allow a moratorium of three months on payment of instalments in respect of all term loans outstanding as on March 1, 2020.

However the Company cannot guarantee that these assumptions are accurate and will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on basis of any subsequent developments, information or events.

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.

For & on behalf of the Board
Mathew Easow Research Securities Limited

Place: Kolkata
Date: 24th August, 2020

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

Pritha Sinha Pandey
(DIN -07016238)
Director

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

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2020
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	12 th 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 & TRANSFER AGENTS (RTA), IF ANY	MCS Share Transfer Agent Limited 1st Floor, 383, Lake Gardens, Kolkata - 700045 Phone no.: (033) 4072 4054 Facsimile no.: (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 Product/ service	% 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.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

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

(i) Category-wise Share Holding :

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 Corp.	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 Corp.	-	-	-	-	-	-	-	-	-
(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	-
© Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FII's	-	-	-	-	-	-	-	-	-
(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 Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	2261845	8700	2270545	34.14	2197904	8700	2206604	33.18	-0.96
(ii) Overseas									-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	331278	315208	646486	9.72	337641	312806	650447	9.78	0.06
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1637948	-	1637948	24.63	1697948	-	1697948	25.53	0.90
(c) Others (specify) NRI	4606	9400	14006	0.21	4586	9400	13986	0.21	0.00
Sub-total (B)(2):-	4235677	333308	4568985	68.71	4238079	330906	4568985	68.71	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	4236349	333308	4569657	68.72	4238751	330906	4569657	68.72	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6316692	333308	6650000	100.00	6319094	330906	6650000	100	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 share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	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):

	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 Share holding 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 GDR 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
	Increase 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	184595	2.77	184595	2.77
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	184595	2.77	184595	2.77
8.	Bihan Trading Pvt. Ltd.				
	At the beginning of the year	147600	2.22	147600	2.22
	Date wise Increase/decrease in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	147600	2.22	147600	2.22
9.	Avlokan Vinimay Pvt. Ltd.				
	At the beginning of the year	141644	2.13	141644	2.13
	Increase in Share holding during the Year	NO CHANGE DURING THE YEAR			
	At the end of the year	141644	2.13	141644	2.13
10.	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

(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	Nirmal	-	-	-	-
6	Sarika Kedia	-	-	-	-
	Date wise Increase / Decrease in Share holding 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	Nirmal	-	-	-	-
6	Sarika Kedia	-	-	-	-

*Mr. Ram Kumar Dalmia ceased to be a director of the Company with effect from 20th February, 2020 due to his death.

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

(₹. In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i)Principal Amount	-	6968.64	-	6968.64
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	6968.64	-	6968.64
Change in Indebtedness during the financial year				
• Addition	-	388.00	-	388.00
• Reduction		5767.92	-	5767.92
Net Change	-	(5379.92)	-	(5379.92)
Indebtedness at the end of the financial year				
i)Principal Amount	-	1588.72	-	1588.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1588.72	-	1588.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER:

Sl. No.	Particulars of Remuneration	Beda Nand Choudhary (Whole-Time Director) (₹)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,75,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - Others, specify...	-
5.	Others, please specify	-
	Total (₹)	4,75,000
	Ceiling as per the Act	NOT APPLICABLE

B. REMUNERATION TO OTHER DIRECTORS:

Sl.	Particulars of Remuneration	Name of Director(s)				Total Amount (₹)
		Mr. Ram Kumar Dalmia*	Mr. Nirmal*	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 (Directors Remuneration)	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Ceiling as per the Act	NOT APPLICABLE				

* Mr. Ram Kumar Dalmia ceased to be a Director of the Company due to his death on 20th February, 2020.

* Mr. Nirmal appointed as Additional Director of the Company w.e.f. 14th March, 2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :
(in ₹)

Sl.	Particulars of Remuneration	CEO	Ms. Sarika Kedia (Company Secretary)	Mr. Debi Prosad Mukherjee* (Chief Financial Officer)	Total
1	Gross salary	-	4,80,000	1,24,870	6,04,870
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	4,80,000	1,24,870	6,04,870
	Ceiling as per the Act	NOT APPLICABLE			

*Mr. Debi Prosad Mukherjee resigned from the post of CFO with effect from 1st November, 2019.

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	-	-	-	-	-

For & on behalf of the Board
Mathew Easow Research Securities Limited

Place: Kolkata
 Date: 24th August, 2020

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

Pritha Sinha Pandey
 (DIN - 07016238)
Director

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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
CIN: L74910WB1994PLC064483

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, 2020 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, 2020 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, 2018; - **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, 2018 - **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:

During the period under review, except Company Secretary and Whole time Director, the office of Key Managerial Personnel i.e. Chief Financial Officer remained vacant.

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:
- (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
UDIN:A020600B000607692

Place: Kolkata

Date: 24-08-2020

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
CIN: L74910WB1994PLC064483

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
UDIN:A020600B000607692

Place: Kolkata
Date: 24-08-2020

INDEPENDENT AUDITORS' REPORT

To the Members of MATHEW EASOW RESEARCH SECURITIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of MATHEW EASOW RESEARCH SECURITIES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

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

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone 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.

Emphasis of Matter

We draw attention to Note 38 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion is not modified in respect of the matter.

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 year. We did not come across any matter of such material significance to be reported in this section.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibilities of the Management and those charged with governance 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 of these Standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

Auditors' Responsibility for the Audit of the 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 auditors' 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and the 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) Regarding adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.

3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations and hence, there is no disclosure of the same in its 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.
4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, 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.

For **GUPTA & MANGLIK**
Chartered Accountants
Firm Registration No.311118E

Rahul Gupta, FCA
Partner
ICAI Membership No.065761
UDIN : 20065761AAAAAW1056
Kolkata, 29th June, 2020

ANNEXURE "A" TO THE AUDITORS' REPORT OF EVEN DATE:

- (i) (a) The 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 inventories 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, subject to delays in deposit of TDS, the Company is 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 have not been deposited on account of any dispute.
- (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 give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration and accordingly the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act are not applicable.
- (xii) According to the explanation 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, the transactions with 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

For **GUPTA & MANGLIK**
Chartered Accountants
Firm Registration No.311118E

Rahul Gupta, FCA
Partner
ICAI Membership No.065761
UDIN : 20065761AAAAAW1056
Kolkata, 29th June, 2020

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

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

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of MATHEW EASOW RESEARCH SECURITIES LIMITED (“the Company”) as at March 31, 2020 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. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements 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 Standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GUPTA & MANGLIK**
Chartered Accountants
Firm Registration No.311118E

Rahul Gupta, FCA
Partner
ICAI Membership No.065761
UDIN : 20065761AAAAAW1056
Kolkata, 29th June, 2020

MATHEW EASOW RESEARCH SECURITIES LIMITED

BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

	Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	ASSETS				
(I)	Financial Assets				
(a)	Cash and Cash Equivalent	5	36.77	39.29	46.79
(b)	Loans	6	2,343.47	8,169.77	2,348.70
(d)	Other Financial assets	7	300.96	0.46	49.90
			2,681.20	8,209.52	2,445.39
(II)	Non Financial Assets				
(a)	Inventories		250.16	114.59	51.32
(b)	Current Tax Assets (Net)	8	10.89	-	1.69
(c)	Deferred Tax Assets (Net)	9	5.20	7.83	2.24
(e)	Property, Plant and Equipment	10	35.09	33.79	46.64
(h)	Other Non Financial Assets	11	0.86	-	-
			302.20	156.21	101.89
	Total Assets		2,983.40	8,365.73	2,547.28
	LIABILITIES AND EQUITY				
	LIABILITIES				
(I)	Financial Liabilities				
(a)	Payables	12			
	(I) Trade Payables				
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) Others		2.94	1.11	1.46
	(I) Other Payables				
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) Others		5.16	-	-
(b)	Borrowings (Other than Debt Securities)	13	1,588.72	6,968.64	1,169.67
(c)	Other Financial Liabilities	14	-	-	2.41
			1,596.82	6,969.75	1,173.54
(II)	Non Financial Liabilities				
(a)	Current Tax Liabilities		-	0.53	-
(b)	Provisions	15	6.48	20.11	6.85
(c)	Other Non Financial Liabilities	16	2.60	11.40	20.91
			9.08	32.04	27.76
(III)	Equity				
(a)	Equity Share Capital	17	665.00	665.00	665.00
(b)	Other Equity	18	712.50	698.94	680.98
			1,377.50	1,363.94	1,345.98
	Total Liabilities and Equity		2,983.40	8,365.73	2,547.28

Significant accounting policies and other accompanying notes (1 to 39) form an integral part of the financial statements

As per our report of even date
For GUPTA & MANGLIK
 Chartered Accountants
 Firm Registration No. 311118E

For and on behalf of the Board

Beda Nand Choudhary
 Wholetime Director
 (DIN-00080175)

Pritha Sinha Pandey
 Director
 (DIN-07016238)

(Rahul Gupta)
 Partner
 Membership No. 065761
 Place : Kolkata
 Dated: June 29, 2020

Sarika Kedia
 Company Secretary

MATHEW EASOW RESEARCH SECURITIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

	Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue from Operations			
(i)	Interest Income	19	184.48	234.21
(ii)	Dividend Income	20	0.97	0.71
(iii)	Fees and Commission Income	21	-	3.88
(iv)	Sale of Products	22	293.75	105.55
(v)	Other Operating Revenues	23	-	3.08
(I)	Total Revenue from Operations		479.20	347.43
(II)	Other Income	24	15.33	2.04
(III)	Total Income (I + II)		494.53	349.47
	Expenses			
(i)	Finance Costs	25	7.21	100.21
(ii)	Purchase of Stock-in-trade	26	444.73	173.71
(iii)	Changes in Inventories of Stock-in-trade	27	(135.57)	(63.28)
(iv)	Employee Benefits Expenses	28	11.82	5.02
(v)	Depreciation, amortization and impairment	29	12.41	12.85
(vi)	Other Expenses	30	139.11	87.75
(IV)	Total Expenses		479.71	316.26
(V)	Profit / (Loss) before tax (III - IV)		14.82	33.21
(VI)	Tax Expenses	35		
	(i) Current Tax		(1.38)	20.83
	(ii) Deferred Tax		2.63	(5.59)
			1.25	15.24
(VII)	Profit / (Loss) for the period (V - VI)		13.57	17.97
(VIII)	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to above		-	-
	Other Comprehensive Income (i - ii)		-	-
(IX)	Total Comprehensive Income for the period (VII + VIII)		13.57	17.97
(X)	Earnings per equity share			
	- Basic (₹)	33	0.20	0.27
	- Diluted (₹)		0.20	0.27

Significant accounting policies and other accompanying notes (1 to 39) form an integral part of the financial statements

As per our report of even date
For GUPTA & MANGLIK
 Chartered Accountants
 Firm Registration No. 311118E

(Rahul Gupta)
 Partner
 Membership No. 065761
 Place : Kolkata
 Dated: June 29, 2020

For and on behalf of the Board

Beda Nand Choudhary
 Wholetime Director
 (DIN-00080175)

Pritha Sinha Pandey
 Director
 (DIN-07016238)

Sarika Kedia
 Company Secretary

MATHEW EASOW RESEARCH SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(i) Equity Share Capital		(₹ in Lakhs)
Particulars	Amount	
Balance as at April 1, 2018	66,500.00	
Changes during the year	-	
Balance as at March 31, 2019	66,500.00	
Changes during the year	-	
Balance as at March 31, 2020	66,500.00	

(ii) Other Equity

As at March 31, 2020

(₹ in Lakhs)

Particulars	Reserve and Surplus			Total
	Securities Premium Account	Special Reserve (in terms of Section 451C of Reserve Bank of India Act, 1934)	Retained Earning	
Balance as at March 31, 2019	365.00	100.56	233.39	698.95
Profit for the year	-	-	13.57	13.57
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the period	-	-	13.57	13.57
Transferred from Retained earnings to Special Reserve	-	2.71	(2.71)	-
Balance as at March 31, 2020	365.00	103.27	244.25	712.50

As at March 31, 2019

(₹ in Lakhs)

Particulars	Reserve and Surplus			Total
	Securities Premium Account	Special Reserve (in terms of Section 451C of Reserve Bank of India Act, 1934)	Retained Earning	
Balance as at April 1, 2018	365.00	97.96	218.02	680.98
Profit for the year	-	-	17.97	17.97
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the period	-	-	17.97	17.97
Transferred from Retained earnings to Special Reserve	-	2.60	(2.60)	-
Adjusted in Retained Earnings Balance	-	-	-	-
Balance as at March 31, 2019	365.00	100.56	233.39	698.94

Refer Note no. 18 for nature and purpose of reserves.

Significant accounting policies and other accompanying notes (1 to 39) form an integral part of the financial statements

As per our report of even date

For GUPTA & MANGLIK
Chartered Accountants
Firm Registration No. 311118E

For and on behalf of the Board

Beda Nand Choudhary
Wholetime Director
(DIN-00080175)

Pritha Sinha Pandey
Director
(DIN-07016238)

(Rahul Gupta)
Partner
Membership No. 065761
Place : Kolkata
Dated: June 29, 2020

Sarika Kedia
Company Secretary

MATHEW EASOW RESEARCH SECURITIES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		14.82		33.21
Adjustment for non cash and other items:				
Add : Depreciation and amortisation expenses	12.41		12.85	
Impairment allowances for doubtful loans	-		7.16	
Finance Cost	7.21		100.21	
Provision Standard Assets	-	19.62	13.25	133.47
		34.44		166.68
Less: Interest Income on Fixed Deposit	0.14		0.46	
Dividend Income from Investments	0.97		0.71	
Provisions no longer required written back	14.05	15.16	-	1.17
Operating Profit before Working Capital changes		19.28		165.51
(Increase)/ Decrease in loans and advances and other assets	5,524.94		(5,792.03)	
(Increase)/ Decrease in Inventories	(135.57)		(63.28)	
Increase/ (Decrease) in Trade and Other Payables	6.98		(0.35)	
Increase/ (Decrease) Liabilities/ Provisions	(8.37)	5,387.98	3.74	(5,851.92)
Cash generated from Operations		5,407.26		(5,686.41)
Less: Direct Taxes paid (Net)		10.05		18.61
Net cash flow from Operating activities		5,397.21		(5,705.02)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(13.71)		-	
Interest received on Fixed Deposits	0.14		0.46	
Dividend received	0.97	(12.60)	0.71	1.17
Net Cash flow from Investing activities		(12.60)		1.17
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayments) from short term borrowings (net)	(5,379.92)		5,796.56	
Interest and other borrowing cost paid	(7.21)	(5,387.13)	(100.21)	5,696.35
Net cash flow from Financing activities		(5,387.13)		5,696.35
Cash and Cash equivalents (A+B+C)		(2.52)		(7.50)
Cash and cash equivalents at the beginning of the year		39.29		46.79
Cash and cash equivalents at the end of the year (Refer Note no. 5)		36.77		39.29

Significant accounting policies and other accompanying notes (1 to 39) form an integral part of the financial statements

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.
- Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	₹ in Lakhs	
	As at March 31, 2020	As at March 31, 2019
Cash on hand	5.63	3.99
Balances with banks:		
In current accounts	31.14	35.30
	36.77	39.29

- Change in Company's liabilities arising from financing activities:

Particulars	₹ in Lakhs			
	As at March 31, 2019	Cash Flow	Non-Cash Flow	As at March 31, 2020
Borrowings (Other than Debt Securities)	6,968.64	(5,379.92)	-	1,588.72

As per our report of even date

For **GUPTA & MANGLIK**
Chartered Accountants
Firm Registration No. 311118E

(Rahul Gupta)
Partner
Membership No. 065761
Place : Kolkata
Dated: June 29, 2020

For and on behalf of the Board

Beda Nand Choudhary
Wholetime Director
(DIN-00080175)

Sarika Kedia
Company Secretary

Pritha Sinha Pandey
Director
(DIN-07016238)

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. CORPORATE INFORMATION

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 May 06, 1998 and its equity shares are currently listed on the Bombay Stock Exchange and Calcutta Stock Exchange Ltd.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2018 and therefore Ind ASs issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2018.

The financial statement up to the year ended March 31, 2019, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have been recasted/restated to make it comparable with current year's figure.

In accordance with Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented (Note No. 40(a)), a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at March 31, 2019, and April 1, 2018 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March 31, 2019. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note No. 40(b) of the financial statement.

Application of new and revised standards:

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'. Revision in these standard were either not applicable or did not have any material impact on the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal thousands except otherwise stated.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

B. PROPERTY PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

Depreciation and Amortization

Depreciation on PPE except as stated below, is provided as per Schedule II of the Companies Act, 2013 on straight line method in respect of Plant and Equipments and Office Equipments at all location of the Company.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the useful lives as estimated for other assets considered for depreciation are as follows:

Category	Useful life
Buildings	
Non-Factory Building	30 Years
Computer equipment	
Data Processing Equipment	3 Years
Furniture and fixtures, Electrical Machinery	10 Years
Office equipment	5 Years
Vehicles	
Motor Car	8 Years

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Depreciation methods, useful lives, residual values are reviewed and adjusted as appropriate, at each reporting date.

C. INTANGIBLE ASSETS

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

D. DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

E. LEASES

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liability when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations is presented separately under the head "Financial Liabilities".

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

F. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Tangible, Intangible and ROU assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

G. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for loans and advances or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

H. EQUITY SHARE CAPITAL

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

I. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

J. EMPLOYEE BENEFITS

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered. Contribution to defined contribution plans such as Provident Fund etc, are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income ("OCI") in the period in which they occur.

Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

K. REVENUE

Interest and Dividend

- The Company follows the accrual method of accounting for recognition of Income excepting in cases of uncertainties of collections, which are recognized on receipt basis.
- Interest Income from financing by way of loan is recognised in terms of the respective agreements with the borrowers using effective interest rate method.
- Dividend from Investments is accounted for when right to receive the same is established.
- In accordance with the guidelines issued by the Reserve Bank of India (RBI), incomes against non-performing assets are recognised on receipt basis.

L. BORROWING COSTS

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

M. TAXES ON INCOME

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

N. EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares

O. SEGMENT REPORTING

As the company has no activities other than those of a Non-Banking Financial Company, the segment reporting under Ind AS 108 is not applicable. The company does not have any reportable geographical segment.

4 CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

a) Depreciation / amortization and impairment on property, plant and equipment / intangible assets.

Property, plant and equipment and intangible assets are depreciated/ amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation, Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

b) Impairment loss allowances of loans and advances

Classification of loans and advances are made as per the guidelines prescribed by RBI. Provision against performing (standard) and non-performing assets are made as required in terms of prudential norms prescribed by RBI. Further, assets which are considered non recoverable are fully provided for / written off.

c) Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

d) Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy. The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

5 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash on hand	5.63	3.99	6.68
Balances with banks:			
In current accounts	31.14	35.30	40.11
TOTAL	36.77	39.29	46.79

6 LOANS

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Loans repayable on demand				
<u>(Unsecured and Considered good unless otherwise stated)</u>				
Measured at amortised cost:				
Loans and Advances in India				
Unsecured Business Loan		2,357.29	7,849.42	1,791.34
Secured Loan against Mortgage of properties		-	334.59	564.45
		<u>2,357.29</u>	<u>8,184.01</u>	<u>2,355.79</u>
Less: Impairment allowances for doubtful loans and advances	6.1	<u>13.82</u>	<u>14.24</u>	<u>7.09</u>
		2,343.47	8,169.77	2,348.70
TOTAL		2,343.47	8,169.77	2,348.70

6.1 Movement of impairment allowances for doubtful loans and advances:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance as at the beginning of the year	14.24	7.09
Recognised during the year	-	7.15
Reversal during the year	(0.42)	-
Balance at the end of the year	13.82	14.24

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Interest Receivable:			
Interest Accrued but not Due	-	-	7.22
Security Deposits	0.46	0.46	0.46
Other Advances	300.50	-	42.22
TOTAL	300.96	0.46	49.90

8 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advance Tax including Tax deducted at Source (Net of Provisions)	10.89	-	1.69
TOTAL	10.89	-	1.69

9 DEFERRED TAX ASSETS (NET)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Assets	9.1	5.28	8.93	4.31
Deferred Tax Liabilities	9.1	0.08	1.10	2.07
TOTAL		5.20	7.83	2.24

9.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet:

Particulars	Opening Balance April 1, 2019	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	Closing Balance March 31, 2020
Deferred Tax Liabilities				
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	1.10	1.02	-	0.08
Total Deferred Tax Liabilities	1.10	1.02	-	0.08
Deferred Tax Assets				
Allowance for Doubtful Debts	8.93	(3.66)	-	5.28
Total Deferred Tax Assets	8.93	(3.66)	-	5.28
Deferred Income Tax Asset after set off	7.83	(2.63)	-	5.20

Particulars	Opening Balance April 1, 2018	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	Closing Balance March 31, 2019
Deferred Tax Liabilities				
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	2.07	0.97	-	1.10
Total Deferred Tax Liabilities	2.07	0.97	-	1.10
Deferred Tax Assets				
Allowance for Doubtful Debts	4.31	4.62	-	8.93
Total Deferred Tax Assets	4.31	4.62	-	8.93
Deferred Tax Assets (Net)	2.24	5.59	-	7.83

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

10 PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2020

Particulars	Office Premises	Motor Car	Computer	Furniture and Fixtures	Office Equipment	Total
GROSS BLOCK						
As at March 31, 2019	20.51	29.91	25.19	10.24	6.58	92.43
Addition	-	-	0.70	13.00	-	13.70
Disposal/Adjustments	-	-	-	-	-	-
As at March 31, 2020	20.51	29.91	25.89	23.24	6.58	106.13
ACCUMULATED DEPRECIATION						
As at March 31, 2019	11.26	21.40	10.41	10.20	5.37	58.64
Depreciation for the year	0.99	2.30	8.67	0.21	0.24	12.41
Disposal	-	-	-	-	-	-
As at March 31, 2020	12.25	23.70	19.08	10.41	5.61	71.05
Net Block as at March 31, 2020	8.26	6.21	6.82	12.83	0.97	35.09

As at March 31, 2019

(₹ in Lakhs)

Particulars	Office Premises	Motor Car	Computer	Furniture and Fixtures	Office Equipment	Total
GROSS BLOCK						
As at April 01, 2018	20.51	29.91	25.19	10.24	6.58	92.43
Addition	-	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-	-
As at March 31, 2019	20.51	29.91	25.19	10.24	6.58	92.43
ACCUMULATED DEPRECIATION						
As at April 01, 2018	10.26	17.68	2.52	10.20	5.13	45.79
Addition	1.00	3.72	7.89	-	0.24	12.85
Disposal	-	-	-	-	-	-
As at March 31, 2019	11.26	21.40	10.41	10.20	5.37	58.64
Net Block as at March 31, 2019	9.25	8.51	14.78	0.04	1.21	33.79

10 The Company has elected to continue with the carrying value of its Property, Plant & Equipment (PPE) recognised as of April 1, 2018 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

11 OTHER NON FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Input Tax Credit Receivable	0.86	-	-
TOTAL	0.86	-	-

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

12 PAYABLES

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Trade Payables				
- Dues of Micro and Small Enterprises	12.1	-	-	-
- Others		2.94	1.11	1.46
Other Payables				
- Dues of Micro and Small Enterprises		-	-	-
- Others		5.16	-	-
TOTAL		8.10	1.11	1.46

12.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.

13 BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
In India				
At Amortised Cost				
Secured				
From Banks		-	-	1.03
<i>(against hypothecation of specific motor car financed)</i>				
Unsecured	13.1, 13.2 & 13.3			
Loan Repayable on demand				
- From Other Parties		1,588.72	6,968.64	1,168.64
TOTAL		1,588.72	6,968.64	1,169.67

13.1 Loans repayable on demand - Unsecured as on 31st March, 2020

Repayment Term	Tenure	Interest Range	As at 31st March, 2020
Bullet	Above 5 Years	6.5 % - 13 %	1,588.72

13.2 Loans repayable on demand - Unsecured as on 31st March, 2019

Repayment Term	Tenure	Interest Range	As at 31st March, 2019
Bullet	Above 5 Years	7 % - 13 %	6,968.64

13.3 Loans repayable on demand - Unsecured as on 31st March, 2018

Repayment Term	Tenure	Interest Range	As at 31st March, 2018
Bullet	Above 5 Years	7 % - 13 %	1,168.64

14 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Current Maturities of Borrowings - Secured	-	-	2.41
TOTAL	-	-	2.41

15 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Contingent Provision against standard assets	6.48	20.11	6.85
TOTAL	6.48	20.11	6.85

16 OTHER NON FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Income receivable in advance	-	-	11.25
Statutory Payables	2.60	11.40	9.66
TOTAL	2.60	11.40	20.91

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

17 EQUITY SHARE CAPITAL

Particulars	Note No	As at	As at	As at
		March 31, 2020	March 31, 2019	April 01, 2018
Authorised Shares				
Equity Shares of ₹ 10/- each				
1,70,00,000 (March 31, 2019: 1,70,00,000 and April 1, 2018: 1,70,00,000) equity shares		1,700.00	1,700.00	1,700.00
10% Redeemable Preference Shares of ₹ 100/- each				
1,00,000 (March 31, 2019: 1,00,000 and April 1, 2018: 1,00,000) preference shares		100.00	100.00	100.00
		1,800.00	1,800.00	1,800.00
Issued, Subscribed & Fully Paid Up Shares				
Equity Shares of ₹ 10/- each	17.1			
66,50,000 (March 31, 2019: 66,50,000 and April 1, 2018: 66,50,000) equity shares		665.00	665.00	665.00
		665.00	665.00	665.00

17.1 The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

17.2 Reconciliation of the number of equity shares outstanding:

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Number of shares at the beginning	66,50,000	66,50,000	66,50,000
Add: Additions during the year	-	-	-
Number of shares at the end	66,50,000	66,50,000	66,50,000

17.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:

Name of the Shareholders	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Mathew Easow Fiscal Services Limited			
- No of shares held:	14,95,946	14,95,946	14,95,946
- Percentage of shares held:	22.50%	22.50%	22.50%
Vista Vyapaar Private Limited			
- No of shares held:	5,84,397	5,84,397	5,84,397
- Percentage of shares held:	8.79%	8.79%	8.79%
Sunil Ghorawat			
- No of shares held:	4,25,175	4,25,175	4,25,175
- Percentage of shares held:	6.39%	6.39%	6.39%

18 OTHER EQUITY

Particulars	Note No	As at	As at	As at
		March 31, 2020	March 31, 2019	April 01, 2018
Securities Premium Account				
As per last Balance Sheet	18.1	365.00	365.00	365.00
Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)				
As per last Balance Sheet	18.2	100.56	97.96	97.96
Transferred from Retained earnings to Special Reserve		2.71	2.60	-
		103.27	100.56	97.96
Retained Earning				
As per last Balance Sheet	18.3	233.39	218.02	218.02
Profit for the year		13.57	17.97	-
Other Comprehensive Income		-	-	-
Transferred from Retained earnings to Special Reserve		(2.71)	(2.60)	-
		244.25	233.39	218.02
TOTAL		712.50	698.94	680.98

18.1 Securities Premium Account

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

18.2 Special Reserve

Special Reserve is created in terms of section 45IC of Reserve Bank of India Act, 1934, which is 20% of profit of the year.

18.3 Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

19 INTEREST INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>On Financial assets measured at amortised cost</u>		
Loans	184.48	234.21
Fixed deposit with banks	*0.00	-
<i>(* ₹ 590/- Interest Income)</i>		
TOTAL	184.48	234.21

20 DIVIDEND INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
On shares and securities	0.97	0.71
TOTAL	0.97	0.71

21 FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Upfront fees and charges	-	3.88
TOTAL	-	3.88

22 SALE OF PRODUCTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of shares and securities	293.75	105.55
TOTAL	293.75	105.55

23 OTHER OPERATING REVENUES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consultancy fees	-	3.08
TOTAL	-	3.08

24 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on IT refund	0.14	0.45
Profit in Derivative and rate difference transactions	-	0.07
Miscellaneous Income	1.14	1.52
Provisions no longer required:		
Provision against standard assets written back	14.05	-
TOTAL	15.33	2.04

25 FINANCE COSTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>On financial liabilities measured at amortised cost:</u>		
Interest on Car loan	-	0.21
Interest on Short-term borrowings	7.21	100.00
TOTAL	7.21	100.21

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

26 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Shares and securities	444.73	173.71
TOTAL	444.73	173.71

27 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock of shares and securities	114.59	51.31
Closing Stock of shares and securities	250.16	114.59
TOTAL	(135.57)	(63.28)

28 EMPLOYEE BENEFITS EXPENSES

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus, etc.	28.1	11.82	5.02
TOTAL		11.82	5.02

28.1 There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Indian Accounting Standard-19 have not been complied.

29 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	10	12.41	12.85
TOTAL		12.41	12.85

30 OTHER EXPENSES

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
Repairs and maintenance- Others		0.88	0.24
Rates and Taxes		0.54	0.07
Auditors Remuneration			
Audit Fees		0.60	0.60
Tax Audit Fees		-	0.15
Certification Charges		-	0.06
Legal and Professional Fees		12.47	15.80
Brokerage and Commission		-	14.86
Filing Fees		3.08	2.95
Guest House Expenses		19.20	-
Motor Car Running & Maintenance		1.47	1.29
Travelling Expenses		14.60	24.02
Charity and Donation		-	0.50
Advertisement		0.33	0.41
Loans and Advances written off		80.58	-
Impairment allowances for doubtful loans		-	7.16
Contingent Provision against Standard Assets		-	13.25
Miscellaneous Expenditure		5.36	6.39
TOTAL		139.11	87.75

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

31 Contingent Liabilities and Commitments:
(to the extent not provided for)

(a) Contingent Liabilities:

The Company has reviewed all its pending litigations and proceedings, if any and has made adequate provisions. The Company does not expect the outcome of these proceedings to have a material impact on its financial positions.

32 In terms of Para 14 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, a provision of 0.25 percent of the outstanding amount of the standard assets during the year is required to be made. Accordingly, the closing provision on such assets is ₹ 6.48 lakhs (March 31, 2019: ₹ 20.10 lakhs) and is shown as "Contingent Provision against Standard Assets" in these accounts.

33 Calculation of Earning Per Share is as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	13.57	17.97
Net profit for basic and diluted earnings per share	13.57	17.97
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value ₹ 10/- per share) as on 31st March, 2020	66,50,000	66,50,000
Number of equity shares considered in calculating basic and diluted EPS	66,50,000	66,50,000
(c) Earnings per share (EPS) of Equity Share of ₹ 10 each:		
i) Basic (₹)	0.20	0.27
ii) Diluted (₹)	0.20	0.27

34 RELATED PARTY TRANSACTIONS

Disclosures pursuant to Indian Accounting Standard (Ind AS) 24 " Related Party Disclosures"

A) Names of related parties and description of relationship

(i) Group Enterprises and Companies under common control

Gaylord Commercial Company Limited
Mathew Easow Fiscal Services Limited
Vista Vyapaar Private Limited

(ii) Key Management Personnel (KMP) and their close member

Mr. Beda Nand Choudhary – Whole Time Director w.e.f June 15, 2019
Mr. Ram Kumar Dalmia – ceased to be a Director w.e.f February 20, 2020 on account of his demise
Mr. Atul Kaushik – Director
Ms. Pritha Sinha Pandey – Director
Mr. Debi Prosad Mukherjee – ceased to be a Chief Financial Officer w.e.f November 1, 2019
Mr. Nirmal – Additional Director w.e.f March 14, 2020
Mrs. Sarika Kedia – Company Secretary & Compliance Officer

B) Disclosure of Related Party Transactions

Nature of transactions	Year ended	Group Enterprises and Companies under common control	KMP and their close member
Remuneration to Whole Time Director	31.3.20	-	4.75
	31.3.19	-	-
Remuneration to Other KMP	31.3.20	-	6.05
	31.3.19	-	3.30
Advances Paid	31.3.20	3.50	-
	31.3.19	21.00	-
Other transactions (Expenses)	31.3.20	19.20	-
	31.3.19	-	-

C) Amount due to / from related parties:

Nature of transactions	Year ended	Group Enterprises and Companies under common control	KMP and their close member
Remuneration payable	31.3.20	-	0.90
	31.3.19	-	-
Advances paid	31.3.20	-	-
	31.3.19	-	-
Other transactions (Expenses)	31.3.20	-	-
	31.3.19	-	-

Note:

a. The above related party information is as identified by the management and relied upon by the auditor
b. All transactions with related parties are made in ordinary course of business. For the year ended March 31 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

35 Tax Expenses- Current Tax

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
Provision for Current Tax	35.1	(1.38)	20.83
		(1.38)	20.83

35.1 Components of Tax Expense:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	1.30	17.00
In respect of earlier year	(2.68)	3.83
Total Current tax expense recognised in the current year	(1.38)	20.83
Deferred tax		
In respect of the current year	2.63	(5.59)
Total Deferred tax expense recognised in the current year	2.63	(5.59)
Total Tax expense recognised in the current year	1.26	15.24

35.2 Reconciliation of Tax expense and the accounting profit multiplied by domestic tax rate for March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/ (Loss) before tax	14.82	33.21
Income Tax Charge/(Credit) thereon based on tax rate @ 26.00%	3.85	10.36
Others	0.08	1.05
	3.93	11.41

36. FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Financial Assets measured at Amortised Cost						
Cash and cash equivalents	36.77	36.77	39.29	39.29	46.79	46.79
Loans	2,343.47	2,343.47	8,169.77	8,169.77	2,348.70	2,348.70
Other Financial Assets	300.96	300.96	0.46	0.46	49.90	49.90
Financial Liabilities						
Financial Liabilities measured at Amortised Cost						
Trade Payables	2.94	2.94	1.11	1.11	1.46	1.46
Other Payables	5.16	5.16	-	-	-	-
Borrowings (Other than Debt Securities)	1,588.72	1,588.72	6,968.64	6,968.64	1,172.08	1,172.08

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, loans, current trade payables, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

- The Company's long-term debt has been contracted at floating rates of interest. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

i) **Level 1** :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

ii) **Level 2** :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

iii) **Level 3** :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

Particulars	As at March 31	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Security Deposits	0.46	-	0.46	-
	(0.46)	-	(0.46)	-
	[0.46]	-	[0.46]	-

(* Figures in round brackets () indicate figures as at March 31, 2019 and in brackets [] indicate figures as at April 01, 2018

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1, Level 2 and Level 3.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the Effective Interest Rate.

FINANCIAL RISK FACTORS

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

Interest rate risk

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Company's lending and funding activities give rise to interest rate risk.

The immediate impact of variation in interest rate is on the Company's net interest income, while a long term impact is on the Company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Interest Rate Risk arises due to:

- Changes in Regulatory or Market Conditions affecting the interest rates
- Short term volatility
- Prepayment risk translating into a reinvestment risk
- Real interest rate risk.

In short run, change in interest rate affects Company's earnings and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

With all other variables held constant, the following table demonstrates the impact of the Interest Rate on floating rate portion of loans and borrowings and Advances are given as under:

Particulars	Effect on Profit before tax	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Increase in 50 basis points		
Borrowings- Floating Rate	7.94	34.84
Increase in 50 basis points		
Loans and Advances- Floating Rate	11.72	40.85

Other price risk

Other price risk of the financial instrument to which the company is exposed is not expected to be material.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily loans or interest accrued balances). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of its borrowers, taking into account the financial condition and current economic trends.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of doubtful loans and advances. Receivables from its borrowers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Maturity Analysis of Financial Liabilities
As at March 31, 2020

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	1,588.72	1,588.72	-	-	-	1,588.72
Trade and other payables	8.10	8.10	-	-	-	8.10

As at March 31, 2019

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	6,968.64	6,968.64	-	-	-	6,968.64
Trade and other payables	1.11	1.11	-	-	-	1.11

As at April 1, 2018

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	1,169.67	1,169.67	-	-	-	1,169.67
Other Financial Liabilities	2.41	2.41	-	-	-	2.41
Trade and other payables	1.46	1.46	-	-	-	1.46

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses. The company relies on operating cash flows to meet its need for funds.

CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company. The Company monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

37. FIRST TIME ADOPTION OF Ind AS- Disclosures, Reconciliation etc.

a) Reconciliation in terms of Ind AS 101 "First time adoption of Indian Accounting Standards"

i) Reconciliation of Equity as at March 31, 2019 and April 1, 2018

PARTICULARS	Refer Note No 37 (c)	As at March 31, 2019 (End of last period presented under Previous GAAP)			As at April 1, 2018		
		As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS	As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS							
Financial Assets							
Cash and Cash Equivalent		39.29	-	39.29	46.79	-	46.79
Loans		8,169.77	-	8,169.77	2,348.70	-	2,348.70
Other Financial assets		0.46	-	0.46	49.90	-	49.90
		<u>8,209.52</u>	<u>-</u>	<u>8,209.52</u>	<u>2,445.39</u>	<u>-</u>	<u>2,445.39</u>
Non Financial Assets							
Inventories		114.59	-	114.59	51.32	-	51.32
Current Tax Assets (Net)		-	-	-	1.69	-	1.69
Deferred Tax Assets (Net)	(i)	(885.18)	893.01	7.83	(395.70)	397.94	2.24
Property, Plant and Equipment		33.79	-	33.79	46.64	-	46.64
		<u>(736.80)</u>	<u>893.01</u>	<u>156.21</u>	<u>(296.05)</u>	<u>397.94</u>	<u>101.89</u>
Total Assets		7,472.72	893.01	8,365.73	2,149.34	397.94	2,547.28
LIABILITIES AND EQUITY							
LIABILITIES							
Financial Liabilities							
Payables							
(i) Trade Payables							
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) Others		1.11	-	1.11	1.46	-	1.46
(i) Other Payables		-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) Others		-	-	-	-	-	-
Borrowings (Other than Debt Securities)		6,968.64	-	6,968.64	1,169.67	-	1,169.67
Other Financial Liabilities		-	-	-	2.41	-	2.41
		<u>6,969.75</u>	<u>-</u>	<u>6,969.75</u>	<u>1,173.54</u>	<u>-</u>	<u>1,173.54</u>
Non Financial Liabilities							
Current Tax Liabilities		0.53	-	0.53	-	-	-
Provisions		20.11	-	20.11	6.85	-	6.85
Other Non Financial Liabilities		11.40	-	11.40	20.91	-	20.91
		<u>32.04</u>	<u>-</u>	<u>32.04</u>	<u>27.76</u>	<u>-</u>	<u>27.76</u>
Equity							
Equity Share Capital		665.00	-	665.00	665.00	-	665.00
Other Equity		(194.07)	893.01	698.94	283.04	397.94	680.98
		<u>470.93</u>	<u>893.01</u>	<u>1,363.94</u>	<u>948.04</u>	<u>397.94</u>	<u>1,345.98</u>
Total Liabilities and Equity		7,472.72	893.01	8,365.73	2,149.34	397.94	2,547.28

ii) Reconciliation of Total Equity as given above:

Particulars	Refer Note No 37 (c)	As at March 31, 2019 (End of last period presented under Previous GAAP)	As at April 01, 2018 (Date of transition)
Total equity (shareholders' funds) under Previous GAAP		470.93	948.04
Ind AS Adjustment			
Adjustment of Deferred tax Liability created due to Ind AS impact and reversal of the same during the year	(i)	893.01	397.94
Total adjustment to equity		893.01	397.94
Total equity under Ind AS		1,363.94	1,345.98

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

iii) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Refer Note No 37 (c)	As per IGAAP for the year ended March 31, 2019	Ind AS Adjustments	As per Ind AS for the year ended March 31, 2019
I. Revenue from Operations				
Interest Income		234.21	-	234.21
Dividend Income		0.71	-	0.71
Fees and Commission Income		3.88	-	3.88
Sale of Products		105.55	-	105.55
Other Operating Revenues		3.08	-	3.08
Total Revenue from Operations (I)		347.44	-	347.44
II. Other Income		2.04	-	2.036185
III. Total Income (I + II)		349.48	-	349.48
IV. Expenses				
Finance Costs		100.21	-	100.21
Purchase of Stock-in-trade		173.71	-	173.71
Changes in Inventories of Stock-in-trade		(63.28)	-	(63.28)
Employee Benefits Expenses		5.02	-	5.02
Depreciation, amortization and impairment		12.85	-	12.85
Other Expenses		87.75	-	87.75
Total Expenses (IV)		316.26	-	316.26
V. Profit / (Loss) before tax (III - IV)		33.21	-	33.21
Tax Expenses				
(i) Current Tax		20.83	-	20.83
(ii) Deferred Tax	(i)	489.48	(495.07)	(5.59)
Total Tax Expenses (VI)		5,10.30	(495.07)	15,23555204
VII. Profit / (Loss) for the period (V - VI)		(477.09)	495.07	17,97910236
Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income Tax relating to above		-	-	-
VIII. Total Other Comprehensive Income (i - ii)		-	-	-
Total Comprehensive Income for the period (VII + VIII)		(477.09)	495.07	17.98

iv) Reconciliation of Total Comprehensive Income for the year ended March 31, 2019:

Particulars	Refer Note No 37 (c)	For the Year ended March 31, 2019
Net profit under previous GAAP		(477.09)
Deferred Tax		495.07
Net Profit for the period ended March 31, 2019 under Ind AS		17.98
Other Comprehensive Income (net of taxes)		-
Actuarial gain/ (loss) on Employees defined benefit		-
Total Comprehensive Income for the period / Other Equity as at March 31, 2019 under Ind AS		17.98

v) Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2019

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	(5,705.02)	-	(5,705.02)
Net cash flows from investing activities	1.17	-	1.17
Net cash flows from financing activities	5,696.35	-	5,696.35
Net increase / (decrease) in cash and cash equivalents	(7.50)	-	(7.50)
Cash and cash equivalents at the beginning of the period	46.79	-	46.79
Cash and cash equivalents at the end of the period	39.29	-	39.29

b) FIRST-TIME ADOPTION – Mandatory Exceptions and optional Exemptions

These financial statements are covered by Ind AS 101, "First Time Adoption of Indian Accounting Standards", as they are the Company's first Ind AS financial statements for the year ended March 31, 2020.

i) Overall principle:

- a) The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2018 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. The accounting policies that the Company used in its opening Ind-AS Balance Sheet may have differed from those that it used for its previous GAAP. The resulting adjustments arising from events and transactions occurring before the date of transition to Ind-AS has been recognized directly in retained earnings at the date of transition.
- b) However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below.

ii) Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2018 (the transition date).

iii) Fair Value as deemed cost for Property, Plant and Equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2018 measured as per previous GAAP which in case of the Company, corresponds with carrying costs measured in accordance with Ind AS 16 Property, Plant & Equipment.

iv) Impairment of Financial Assets

Ind AS 109 "Financial Instruments" requires the impairment to be carried out retrospectively; however, as permitted by Ind AS 101, the Company, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

MATHEW EASOW RESEARCH SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

c) Explanatory Notes to reconciliation between Previous GAAP and Ind AS

(i) Taxation

Under previous GAAP deferred tax accounting was done based on the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. Deferred tax adjustments in correlation to the underlying transaction have resulted increase/ (decrease) in deferred tax assets by ₹ 8.93 lakhs and ₹ 3.98 lakhs as on March 31, 2019 and April 1, 2018 respectively.

(ii) Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with financial statements prepared under Ind AS.

38. The COVID -19 pandemic and the long drawn lockdown has resulted in significant decrease in economic activities globally as well as across our country. The extent of impact of COVID - 19 on our country is difficult to predict and will mainly depend on the future developments in containment of COVID - 19 and the actions taken for resumption of operations, which is highly uncertain. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

39. These financial statements have been approved by the Board of Directors of the Company on June 29, 2020 for issue to the shareholders for their adoption.

As per our report of even date

For and on behalf of the Board

For GUPTA & MANGLIK
Chartered Accountants
Firm Registration No. 311118E

Beda Nand Choudhary
Wholetime Director
(DIN-00080175)

Pritha Sinha Pandey
Director
(DIN-07016238)

(Rahul Gupta)
Partner
Membership No. 065761
Place : Kolkata
Dated: June 29, 2020

Sarika Kedia
Company Secretary