

MELIORA ASSET RECONSTRUCTION COMPANY LIMITED

Balance Sheet as at 31st March, 2020

PARTICULARS	Note No.	As at	As at
		31.03.2020	31.03.2019
		In Rupees	In Rupees
<u>EQUITY & LIABILITIES:</u>			
(1) SHARE HOLDERS' FUNDS			
Share Capital	2	28,65,30,000	28,65,30,000
Reserves & Surplus	3	7,78,31,313	6,30,80,801
Total (A)		36,43,61,313	34,96,10,801
(2) CURRENT LIABILITIES			
Short Term Borrowings	4	4,53,26,029	4,03,80,111
Other Current Liabilities	5	27,92,94,504	27,34,09,528
Short Term Provisions	6	66,30,588	1,36,51,146
Total (B)		33,12,51,121	32,74,40,785
TOTAL (A+B)		69,56,12,435	67,70,51,586
<u>ASSETS:</u>			
(1) NON-CURRENT ASSETS:			
(i) Fixed Assets			
Tangible Assets	7(a)	2,51,612	3,89,689
Intangible Assets	7 (b)	5,20,283	46,763
Intangible Assets under development			6,00,000
Total (A)		7,71,895	10,36,452
(ii) Non-Current Investments			
Deferred tax assets (net)	8	14,00,40,000	7,79,00,000
Long Term Loans & Advances	9	74,029	80,788
Other Non-current Assets	10	1,69,000	1,69,000
Other Non-current Assets	11	28,18,144	13,76,583
Total (B)		14,31,01,173	7,95,26,371
(2) CURRENT ASSETS:			
Current Investments	9	3,64,25,000	10,61,40,000
Cash & Bank Balances	12	48,15,53,478	46,56,12,319
Short-term Loans & Advances	13	62,19,854	1,17,37,143
Other Current Assets	11	2,75,41,035	1,29,99,301
Total (C)		55,17,39,366	59,64,88,763
TOTAL (A+B+C)		69,56,12,435	67,70,51,586
Summary of Significant accounting policies	1		
Contingent Liabilities and commitments	1A		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

for JRS & ASSOCIATES
Chartered Accountants

M. Rama Chandram
M RAMACHANDRAM
Partner
M.N 219752
FRN.011778S
Place: Visakhapatnam
Date: 24.11.2020
UDIN:20219752AAAABQ3962



HOMAI DARUWALLA
Director

P Ramakrishnarao
P RAMAKRISHNARAO
Director

K Srinivasan
K SRINIVASAN
Chief Executive Officer

Kuchibhatla Prasad
KUCHIBHATLA PRASAD
Director

K Ravi Kumar
K RAVI KUMAR
Director

Sisir Kumar Appikatla
SISIRKUMAR APPIKATLA
Director

NAMARTA SINGH
Company Secretary

MELIORA ASSET RECONSTRUCTION COMPANY LIMITED
Statement of Profit and Loss for the period ended 31st March, 2020

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
		In Rupees	In Rupees
Income			
Revenue from Operations	14	2,17,27,195	5,09,18,500
Other Income	15	1,47,56,610	1,76,29,513
Total Revenue (I)		3,64,83,805	6,85,48,013
Expenses			
Employee Benefit Expenses	16	35,23,942	69,68,457
Administrative Expenses	17	20,81,698	22,47,431
Other Expenses	18	25,53,365	73,04,857
Total Expenses (II)		81,59,005	1,65,20,745
Earnings before interest, tax, depreciation and amortization (EBITDA) (I)-(II)		2,83,24,800	5,20,27,268
Finance Costs	19	34,82,010	84,85,047
Depreciation & Amortization	8	2,81,423	2,95,351
Profit before tax and exceptional items		2,45,61,366	4,32,46,870
Prior Period Items		-	-
Exceptional items-loss on sale of assets		-	-
Profits after exceptional items and before tax		2,45,61,366	4,32,46,870
Tax expenses			
Current Tax		63,06,828	1,20,51,936
Prior Period Tax		-	-
Deferred Tax	24	6,759	(20,836)
Profit for the year from continuing operations		1,82,47,779	3,12,15,770
Earnings per equity share (Face Value Rs.10/- each)			
Basic EPS	20	0.51	1.09
Diluted EPS	20	0.51	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

For JRS & ASSOCIATES
Chartered Accountants

M. Ramachandram
M RAMACHANDRAM
Partner
M.N 219752
FRN.011778S
Place: Visakhapatnam
Date: 24.11.2020
UDIN:20219752AAAABQ3962



NAMARTA SINGH
Company Secretary

HOMAI DARUWALLA
Director

P. Ramakrishnarao
P RAMAKRISHNARAO
Director

K. Srinivasan
K SRINIVASAN
Chief Executive Officer

Kuchibhatla Prasad
KUCHIBHATLA PRASAD
Director

K. Ravi Kumar
K RAVI KUMAR
Director

Sisir Kumar Appikatla
SISIR KUMAR APPIKATLA
Director

Notes on Financial statements for the period ended 31st March, 2020

1. Summary of significant accounting policies

a. Basis of Preparation:

The accounting and reporting policies of the Company have been framed to comply with the Generally Accepted Accounting Principles ("GAAP") in India, the guidelines issued by the Reserve Bank of India (RBI) from time to time and the provisions of the Companies Act, 2013. Financial Statements are prepared under historical cost convention and all Income and Expenditure are accounted on accrual basis, except otherwise stated.

b. Principal Accounting Policies:

Revenue Recognition:

(i) Interest income is recognized in respect of Financial Assets acquired and restructured for revival on accrual basis.

(ii) Income in respect of assets acquired and resolved through One Time Settlement and / or by sale of underlying securities is recognized only on realization. Proceeds are appropriated first towards debt acquisition cost and balance is recognized as income.

(iii) Income is not recognized against the financial assets during the permissible planning period meant for finalization of the resolution strategy.

(iv) Share of income in case of assets acquired through trusts is recognized as per the terms of relevant trust deed.

(v) Management fee and other fee incomes are recognized as per the terms of the agreement/offer document.

c. Asset Classification and provisioning thereon:

The Company shall classify the financial assets acquired and make the required amount of provision against non-performing assets, if any, as per the guidelines issued by Reserve Bank of India from time to time.



d. Fixed Assets:

(a) Fixed Assets are stated at cost less accumulated depreciation.

(b) Cost includes cost of purchase and all expenditure such as installation costs and professional fees incurred on the assets before it is put to use.

(c) Depreciation is charged on Written down value method (WDV) as per rates prescribed in Schedule II of the Companies Act, 2013 as given below.

Class of Asset	Useful Life	Rate of depreciation
Laptops and Tablets	3 years	63.16%
Furniture and Fittings	10 years	25.89%
Vehicles	8 years	31.23%
Office Equipment(EPABX)	5 years	45.07%
Intangible assets(Tally software)	10	Amortization over 10 years
Intangible assets (software)	5	Amortization over 5 years

e. Investments:

Investment of the Company in Security Receipts of various trusts set up by the Company is carried at cost. Diminution, if any, based on Net Asset Value declared by the respective trusts is provided by charging it to Profit & Loss Account. Investments in Security Receipts (SRs) held by the Company are treated as "Available for Sale Category"

f. Rating of Security Receipts:

Credit ratings are obtained periodically for the Security Receipts issued by the trusts which are managed by the Company in the capacity of managing trustee.

g. Pre-Acquisition Expenditure of Financial Asset:

Expenditure incurred in acquiring financial asset is debited to the respective financial asset.

h. Preliminary Expenses:

Preliminary expenses are being amortized over a period of five years.

i. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



1(A).Contingent Liabilities and commitments

The Management has identified the following disputes pending before different forums of the statutory authorities.

SL.no	Period	Nature of Dispute	Disputed amount	Tax Amount	Forum
1	June(2015-16) to 2017-18(Up to June-2017)	Service tax	18,75,000	2,81,250	Assistant commissioner
2	A.Y 2017-18	Income tax	3,08,79,800	1,31,41,545	CIT(A)

2. SHARE CAPITAL:

Particulars	As at 31.03.2020	As at 31.03.2019
Authorized share capital		
4,50,00,000 shares divided into		
3,00,00,000 equity shares of Rs.10/- each	30,00,00,000	30,00,00,000
1,50,00,000 Preference Shares of Rs.10/- each	15,00,00,000	15,00,00,000
Issued Subscribed & Paid up Share Capital		
2,06,28,000 equity shares of Rs.10/-each	28,65,30,000	25,43,30,000
(Out of the above, 1,03,14,000 equity shares have been issued for consideration other than cash)		
48,05,000 Compulsorily Convertible Cumulative Preference Shares of Rs.10/- each		
32,20,000 Compulsorily Convertible Cumulative Preference Shares of Rs.10/- each		
		3,22,00,000
TOTAL	28,65,30,000	28,65,30,000



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

Particulars	As at 31st March 2020		As at 31 st March 2019	
	No.	Amt. Rs.	No.	Amt. Rs.
Equity shares				
At the beginning of the period	2,54,33,000	25,43,30,000	2,06,28,000	20,62,80,000
Issued during the period	0	0	0	0
CCCPS Converted into Equity during this financial year	32,20,000.00	3,22,00,000	48,05,000	4,80,50,000
Outstanding at the end of the period(i)	2,86,53,000	28,65,30,000	2,54,33,000	25,43,30,000
Preference Shares (CCCPS)				
At the beginning of the period	32,20,000	3,22,00,000	80,25,000	8,02,50,000
Issued during the period	0	0	0	0
Converted during the year	32,20,000	3,22,00,000	48,05,000	4,80,50,000
Outstanding at the end of the period(ii)	0	0	32,20,000	3,22,00,000
TOTAL (i)+(ii)	2,86,53,000	28,65,30,000	2,86,53,000	28,65,30,000

(b) Rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs.10/- per share and one class of compulsorily convertible cumulative preference shares of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend recommended by the Board of Directors is subject to approval of shareholders in Annual General Meeting.

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

S. No	Equity Share holders	As at 31.03.2020		As at 31.03.2019	
		Number	% holding	Number	% holding
1	Sri. Appikatla Sisir Kumar	33,11,360	11.56%	33,11,360	13.01%
2	Sri. Korada Ravi Kumar	33,11,360	11.56%	33,11,360	13.01%
3	Sri. Pillala Ramakrishna Rao	28,95,360	10.10%	28,95,360	11.38%
4	Smt. J Padmaja Rani	16,64,000	5.81%	16,64,000	6.54%
5	Sri. Perla Siva Kumar	7,72,000	2.69%	16,64,000	6.54%
6	Sri. Kanteti Venkateswar Rao	22,04,000	7.69%	27,04,000	10.63%

(d) Shares reserved for issue under options:

The company has not reserved any shares for issue under employees' stock option (ESOP), loan agreements or contracts for supply of capital goods etc..



3. Reserves and Surplus:

Particulars	As at 31.03.2020	As at 31.03.2019
A. Securities Premium		
a) Balance as per last financial statement	1,56,11,000	1,56,11,000
b) Premium amount received on Issue of 48,05,000 Compulsorily Convertible Cumulative Preference Shares at Rs.15/- per share.		
c) Premium amount received on Issue of 32,20,000 Compulsorily Convertible Cumulative Preference Shares at Rs.15/- per share.		
d) Less: CCCP Brokerage charges		
e) Less: Bonus Shares Issued for equity shares of 1,03,14,000		
Total securities premium(A)	1,56,11,000	1,56,11,000
B. Surplus/Deficit in the statement of Profit and Loss		
a. Balance as per last financial statements	4,74,69,801	2,49,61,141
b. Profit after tax for the period	1,82,47,779	3,12,15,770
c. Less: Preference dividend	(28,98,000)	(72,22,500)
d. Less: Dividend distribution tax on Preference dividend	(5,95,694)	(14,84,610)
e. Income Tax	(3,573)	-
Profit transferred to Reserves (a+b-c-d+e) (B)	6,22,20,313	4,74,69,801
TOTAL (A+B)	7,78,31,313	6,30,80,801

4. Short-term borrowings (secured) :

Particulars	As at 31.03.2020	As at 31.03.2019
Overdraft from PUNJAB NATIONAL BANK (Secured against FDR's)	4,53,26,029	4,03,80,111
TOTAL	4,53,26,029	4,03,80,111



5. Other Current Liabilities:

Particulars	As at 31.03.2020	As at 31.03.2019
a. TDS Payable	85,844	1,26,838
b. GST	0	21,24,837
c. GST Reverse Charge Mechanism	95,697	1,21,257
b. GST Payable	19,75,530	-
e. Creditors	0.00	-
f. Dividend on CCCPs Shares (1 st & 2 nd series) payable		72,22,500
g. Rent payable	0.00	-
h. Professional Tax Payable		
i. Other Liabilities*		
a) Amount received from Reliance Cellulose & Interest thereon. 27,66,06,933		
b) others 5,30,500	27,71,37,433	26,38,14,096
TOTAL	27,92,94,504	27,34,09,528

(*)As per High Court Order in connection with SLS Properties, the sale proceeds of M/s Reliance Cellulose Products Ltd., an amount of Rs. 27,27,35,939/- has been made as fixed deposits in SBI, PNB & ICICI

6. Short Term Provisions:

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for Taxation	63,06,828	1,20,51,936
Dividend distribution tax payable		14,84,610
Corporate Office Rent Payable	37,530	39,700
Register office Rent	18,630	
Professional Fee Payable (JRS & Associates)	45,400	45,400
Legal Fee Payable (A Aparna)	27,500	-
Professional Fee Payable (Padmanabhan & Associates)		29,500.00
Salaries	1,94,700	
TOTAL	66,30,588	1,70,51,146



7 FIXED ASSETS:
(a) Tangible Assets

S.no	Description	Gross Block				Depreciation			Net Block		
		As at 31.03.19	Additions	Deletions	As at 31.03.20	Up to 31.03.19	From 1.04.19 to 31.03.2020	Deletions	Up to 31.03.20	As at 31.03.19	As at 31.03.20
1	Tablet 1	22,000	-	-	22,000	20,900	1,100	-	22,000	1,100	-
2	Laptop	2,51,539	-	-	2,51,539	2,09,257	26,299	-	2,35,556	41,639	15,339
3	Computers	2,47,138	-	-	2,47,138	2,03,093	27,819	-	2,30,912	44,045	16,226
4	Printers	47,907	16,866	-	64,773	38,701	7,653	-	46,354	9,206	18,419
5	Tablet 2	22,700	-	-	22,700	21,542	1,158	-	22,700	1,158	-
6	Steel Almirah	40,491	-	-	40,491	26,535	3,613	-	30,148	13,956	10,343
7	Filing Cabinet	29,233	-	-	29,233	18,882	2,680	-	21,562	10,351	7,671
8	Car	7,11,530	-	-	7,11,530	4,49,442	81,850	-	5,31,292	2,62,088	1,80,238
9	EPABX	12,300	-	-	12,300	6,153	2,770	-	8,923	6,147	3,377
	TOTAL	13,84,838	16,866	-	14,01,704	9,94,505	1,54,943	-	11,49,448	3,89,690	2,51,612



(B) Intangible Assets

Description	Gross Block			Amortization			Net Block	
	As at 31.03.19	Additions	Deletions As at 31.03.20	Up to 31.03.19	From 1.04.19 to 31.03.2020	Deletions Up to 31.03.20	As at 31.03.19	As at 31.03.20
Tally Software	64,800	0	0	18,037	6,480	24,517	46,763	40,283
Software		6,00,000	6,00,000	0	1,20,000	1,20,000	0	4,80,000
TOTAL	64,800	600000	6,64,800	18,037	1,26,480	1,44,517	46,763	5,20,283

Note: Software underdevelopment is capitalized during the year and will amortize over 5 years equally



8 INVESTMENTS:

Particulars	Non-current		Current	
	as at 31.03.2020	as at 31.03.2019	as at 31.03.2020	as at 31.03.2019
a. MARC- SBT 01/2015 TRUST Mahalakshmi Farm & Nursery Subburaju Textilemills Pvt Ltd	36,40,000			36,40,000
b. MARC –SBT 03/2015 TRUST MB-AG Timber Pvt Ltd National Lumbers Zaan Commodities Pvt Ltd	42,00,000	42,00,000	24,00,000	24,00,000
c. MARC-DENA 04/2016 TRUST				
d. MARC-AB 05/2016 TRUST: Bhaskara Padma Rice Industry				
e. MARC – Dena 06/2016 Trust Chowky Creations Janata Engineers & Co		28,00,000	42,00,000	42,00,000 50,000
f. MARC-SVC 07/2016 TRUST: Pratibha Ispat (P) Ltd	9,00,000			9,00,000
g. MARC-AXIS 08/2016 TRUST: Lauret Marketing & Krishna Ceramics				
h. MARC-DENA 09/2016 TRUST Baid Industries Sree Autos	77,50,000 40,00,000	1,28,00,000 40,00,000	38,50,000	
i. MARC-AB 10/2016 TRUST Ravi Edible Oil Refinery Nehal Creations Reliance Cullulose & Ranichem Industries	1,43,00,000 3,30,00,000	27,00,000	27,00,000	1,64,00,000 3,30,00,000
J. MARC- UNITED 11/2017 Trust AB Furnishing Pvt Ltd	67,00,000	67,00,000		
K. MARC- AB 12/2017 Trust LEADAGE METALS LTD SREE RAYASEEMA GREEN STELOY LTD	87,00,000		68,25,000	87,00,000 78,00,000
L. MARC 13/20017 Trust OM SREE SAI RAM	2,60,00,000	2,60,00,000		
M. MARC_DENA 14/2017 Trust Sri Krishna Educational Trust	1,21,50,000		10,50,000	1,36,50,000
N. MARC- IB 15/2017 Trust Mother Mirra Estates	87,00,000	87,00,000		
O. MARC AB 16/2017 Trust PBR AGRI TECH Karumuri Suryakantam & 3 others	60,00,000 40,00,000	60,00,000 40,00,000		
P. MARC JSB 17/2018 Trust Indian Institute of Rural Workers			1,54,00,000	1,54,00,000
TOTAL	14,00,40,000	7,79,00,000	3,64,25,000	10,61,40,000

The assets whose schedule recovery period is considered less than 12 months, they have shown under current investments. Remaining assets are shown under Non-current investments.



MELIORA ASSET RECONSTRUCTION COMPANY LIMITED
Notes forming part of the financial statements

Note 9-Computation of Deferred Tax

Sl no	Particulars	Rs.	Rs.
1	Deferred Tax Asset(opening bal)		80,788
2	Depreciation as per income tax act	3,08,279	
3	Depreciation as per companies act	2,81,423	
4	Difference	(26,856)	
5	Deffered tax asset @ 25%		(6,759)
6	Total deferred tax asset		74,029



MELIORA ASSET RECONSTRUCTION COMPANY LIMITED

FIXED ASSETS AND DEPRECIATION STATEMENT AS PER INCOME TAX ACT FOR THE FINANCIAL YEAR 2019-20

Sl.No.	Name of the Asset	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		As on 01.04.2019	Additions Before 30th Sep	Additions On or after 1 st Oct	Disposals	As on 31.03.2020	Up To 31.03.2019	Rate of Dep (%)	From 01.04.2019 to 31.03.2020	Total 31.03.2020	As on 31.03.2019	As on 31.03.2020	
1	Furniture, electrical fittings	69,724	-	-	-	69,724	12,396	10	5,733	18,129	57,328	51,595	
2	Plant, machinery, cars	7,11,530	-	-	-	7,11,530	2,74,562	15	65,545	3,40,107	4,36,968	3,71,423	
3	Computer, Energy saving devices, etc.	6,03,584	-	16,866	-	6,20,450	4,12,550	40	79,787	4,92,337	1,91,034	1,28,113	
4	Intangible assets	64,800	6,00,000	-	-	6,64,800	35,944	25	1,57,214	1,93,158	28,856	4,71,642	
	TOTAL	14,49,638	6,00,000	16,866	-	20,66,504	7,35,452		3,08,279	10,43,731	7,14,186	10,22,773	



10. LONG TERM LOANS & ADVANCES:

Particulars	As at 31.03.2020	As at 31.03.2019
Security Deposits (Unsecured considered good)		
a. Rental Deposit	1,69,000	1,69,000
b. Telephone Deposit		
TOTAL	1,69,000	1,69,000

11. Other Assets:

Particulars	Non-current Portion		Current Portion	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
A. Unsecured and considered good Expenses recoverable from trusts managed by the company				
MARC- SBT 01/2015 TRUST	3,61,179			83,180
MARC –SBT 03/2015 TRUST			7,04,131	5,12,715
MARC-AB 05/2016 A.DEED EXP	33,997			21,997
MARC – DENA 06. TRUST A.DEED EXP			9,000	8,13,320
MARC – SVC 07. TRUST	1,02,094	65,094		
MARC-AXIS 08 TRUST			361	90,000
MARC –DENA 09 TRUST			69,020	21,464
MARC –AB 10/17			7,94,975	36,510
MARC-United 11/2017 Trust	7,27,285	4,37,128		
MARC-AB 12/2017 Trust			19,500	7,32,971
MARC13/2017 Trust	3,00,188	2,75,188		
MARC-DENA 14/2017 Trust			29,500	10,500
MARC-DENA 15/2017 Trust	4,30,355			3,67,023
MARC-DENA 16/2017 Trust	8,43,046	5,99,173		
MARC JSB 17/2018 Trust	20,000			3,93,870
	(A)	28,18,144	13,76,583	16,26,487
B. Other items				
Preliminary Expenditure				
Interest accrued on Reliance Sbi				3,30,643
Interest accrued on Fixed Deposits			1,82,27,224	93,19,260
Input GST			35,727	32,002
Input GST Reverse Charge			1,48,797	1,69,946
GST Input Provisional				9,900
Sundry Debtors			2,800	54,000
Deposited with income tax			50,00,000	
Advance Tax for FY 2020-21			25,00,000	
	(B)	0	2,59,14,548	99,15,751
Total (A+B)		28,18,144	13,76,583	2,75,41,035
				1,79,99,301

*The Amount actually excess charged by the bank without any cause and were received in the Subsequent month.



12. Cash & Bank Balances:

Particulars	As at 31.03.2020	As at 31.03.2019
Cash and Cash Equivalents		
Balances with Banks		
a. In Current Accnts	21,37,278.28	14,41,416
b. In Dividend Account-AB-369	13,188.50	
b. Cash on hand	0	0
c. In fixed deposits	47,94,03,011	46,41,70,903.00
1. Reliance fixed deposit amount : Rs. 27,27,35,939		
2. MARC fixed deposit : Rs. 20,66,67,072/-		
TOTAL	48,15,53,478	46,56,12,319

(*)As per High Court Order in connection with SLS Properties, the sale proceeds of M/s Reliance Cellulose Products Ltd., an amount of Rs. 27,27,35,939 /- has been made as fixed deposits in SBI, ICICI and PNB.

(*)Fixed deposit worth Rs.17,79,50,210/- (Rupees Seventeen crores seventy nine lakhs fifty thousand two hundred and ten rupees) were given as security against overdraft against deposits(PNB).

13. Short – term loans and advances:

Particulars	As at 31.03.2020	As at 31.03.2019
TDS	62,19,854	1,17,37,143
TOTAL	62,19,854	1,17,37,143

14. Revenue from operations:

Particulars	As at 31.03.2020	As at 31.03.2019
Incentive	20,20,000	59,70,000
Upside sharing of Recovery	53,695	1,40,00,000
(A)	20,73,695	1,99,70,000
Other Financial Services		
Management Fee (B)	1,96,53,500	3,09,48,500
TOTAL (A+B)	2,17,27,195	5,09,18,500



15. Other non-operating income:

Particulars	As at 31.03.2020	As at 31.03.2019
Interest on FD's with Banks	1,44,11,765	1,35,90,215
Interest (Others)	3,44,844	12,33,222
Other income		-
Round off	1	
Reimbursement of Interest on Reliance FD		28,06,076
TOTAL	1,47,56,610	1,76,29,513

16. Employee benefits expenses:

Particulars	As at 31.03.2020	As at 31.03.2019
a. SALARIES	33,90,939	67,66,343
b. Staff welfare	37,617	52,073
c. Staff Welfare Health Insurance	70,902	1,50,041
d. Leave Encashment	24,484	0
TOTAL	35,23,942	69,68,457

17. Administrative Expenses:

Particulars	As at 31.03.2020	As at 31.03.2019
Conveyance Charges	61,588	70,748
Postage	14,814	38,780
Stationery & Printing	52,969	99,004
Rent	7,64,550	7,50,670
Travelling expenses	2,54,952	8,21,279
Legal expenses	7,35,790	1,03,150
Vehicle maintenance	1,66,148	2,93,692
Computer Maintenance	30,887	70,108
TOTAL	20,81,698	22,47,431

18. OTHER EXPENSES:

Particulars	As at 31.03.2020	As at 31.03.2019
Board Meeting Expenses	1,51,577	4,62,096
Sitting fee- Directors	4,60,000	11,55,000
Travelling allowance- Board Meeting	2,73,562	5,39,273
ARC Association Membership fee	1,00,000	1,00,000
CIBIL/CERSAI FEE	6,800	6,528
Statutory Audit Fee	30,000	30,000

Professional Fee	3,75,992	8,87,011
ROC & filing fees	65,433	-
Gmail Expenses	0	56,717
Telephone charges	38,946	44,510
Electricity charges	1,08,998	1,52,585
Trade license fee	4,800	27,600
Office maintenance	39,227	75,055
Newspapers, Books, Periodicals	2,640	9,470
Share transfer agents- DEMAT fees	0	51,000
Prior Period Tax	0	5,360
Interest on Income Tax	1,71,777	35,306
Web hosting	130	5,814
Business development expenses	1,45,871	8,42,164
Repairs and Maintenance	7,600	8,100
Round Off	0	3
Stamp papers	60	5,190
GST FY 17-18	25,188	-
Reimbursement of interest on Reliance FD	-	28,06,075
NSDL Charges	93,799	0
Roc fee	1,800	0
Service tax	2,24,553	
Interest on Service tax	1,21,661	
PenaltyService tax	43,458	
ISIN CHARGES	48,000	
Short fall In Provision Of Income Tax	11,493	0
TOTAL	25,53,365	73,04,857

19. Finance Cost:

Particulars	As at	As at
	31.03.2020	31.03.2019
Interest expense - Overdraft	34,74,126	84,77,660
Bank charges	7,884	7,387
TOTAL	34,82,010	84,85,047

20. EPS Calculation

Particulars	As at	As at
	31.03.2020	31.03.2019
Profit after tax	1,82,47,779	3,12,15,770
Add: Income tax refund	-	-
Less: Preference dividend	-28,98,000	-72,22,500
Less: Dividend distribution tax	-5,95,694	-14,84,606
Amount available for equity share holders	1,47,54,085	2,25,08,664
No. of equity shares	2,86,53,000	2,07,20,151
Basic EPS	0.51	1.0863
Diluted EPS	0.51	-
Face Value of Equity share	10	10
Face Value of Preference shares	-	10



Note. The Diluted EPS is also calculated due to existence of compulsorily convertible cumulative preference shares at the end of financial year which are convertible after a period of 3 years from the date of issue of such shares at 1:1 ratio.

21. The Security Receipts issued by the Trusts, which are managed by the company as Managing Trustee, are being rated by M/s. Brickwork Ratings India Pvt Ltd., in accordance with the guidelines issued by the Reserve Bank of India for credit rating of SR's of the Trusts.

22. The company has only one line of business and as such no separate reportable segment to be disclosed under AS-17 "segment reporting".

23. Related Party disclosures:

Name of the Party	Nature of Relationship
A SISIR KUMAR	Director
K RAVI KUMAR	Director

Transactions with Related Parties

As a resolution agent with the following accounts:

Particulars	Amount
Sri Krishna Educational Trust	60,000

The Company appointed M/s Sisir & Ravi Associates as Resolution Agents. Mr. Appikatla Sisir Kumar & Mr. Korada Ravi Kumar, promoter directors of the Company are also the partners in M/s Sisir & Ravi Associates.

Flat taken on lease from Mr. A. Sisir Kumar for housing the Registered Office of the Company, on a monthly rent of Rs.15,000/- with an annual increase of 5% of rent and maintenance charges on actual basis with effect from 1st August 2016. At present we are paying rent of Rs.17250/- p.m.

24. Taxes on Income (AS-22)

Items of Deferred Tax Asset	2019-20	2018-19
Depreciation as per IT	3,08,279	2,20,457
Items of deferred tax assets	-6,759	20,836
Deferred Tax Liability at current rate of tax	-	-

Note. The deferred tax Liability of Rs.6,759/- has been created the year 2019-20 due to the timing difference of depreciation component. Total Deferred tax asset as on 31/03/2020 is 74,029.

25. Previous year's figures are regrouped wherever necessary.



26. ADDITIONAL DISCLOSURES:

The following are the additional disclosures as required by "The Securitisation Companies and Reconstruction

(a) The Names and addresses of banks/financial Institutions from whom financial assets were Sponsors:

Seller-wise acquisition details as at 31.03.2020		
Sellers	Address	Acquisition Price
Nil		

Non-Sponsors:

Sellers	No. of Accounts	Address	Acquisition Price
State Bank of India (SBT)	6	Corporate Centre, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai, Maharashtra 400021	34,65,00,000
Bank Of Baroda(Dena Bank)	6	Corporate Centre, C-10, Block "G", Bandra Kurla Complex, Mumbai-400 051	37,77,00,000
Axis Bank	2	Corporate Office, Bombay Dyeing Mills Compound, Pandurang Budhkar Margh, Worli, Mumbai-400 051	7,70,00,000
Andhra Bank	10	Central Office, Koti, Hyderabad	62,75,00,000
SVC Coop Bank	1	SVC Buildings, Vakola, Santacruz(E), Mumbai.	10,20,00,000
United Bank	1	11 Hemant Basu Sarani, Kolkata - 700001	2,21,00,000
Indian Bank	1	66, Rajaji Salai, Chennai 600001.	5,75,00,000
Janata Sahakari Bank	1	BAJIRO ROAD, PUNE	10,25,00,000
TOTAL	28		1,71,28,00,000

(b) Dispersion of various financial assets industry-wise as at 31.03.2020:

Industry	No. of borrowers	Acquisition Price	% of Total
Textiles & spinning	3	20,85,00,000	12.17%
Readymade Garments	2	6,94,00,000	4.05%
Nursery	1	3,54,00,000	2.07%
Timber	4	20,88,00,000	12.19%
Information & Technology	1	7,20,00,000	4.20%
Iron-Steel-Other Metals	6	32,35,00,000	18.89%
Trading	2	5,55,00,000	3.24%
Automobiles	1	2,62,00,000	1.53%
Rice & Edible Oils	2	14,75,00,000	8.61%
Chemicals	1	22,00,00,000	12.84%
Educational	2	22,25,00,000	12.99%
Oil & Gas	1	2,60,00,000	1.52%
Coffee estate & Plantation	1	5,75,00,000	3.36%
Poultry	1	4,00,00,000	2.34%
TOTAL	28	1,71,28,00,000	100



		Note Below
c)	Details of Related parties as per Accounting Standards and guidance notes issued by the Institute of Chartered Accountants of India and the amounts due to and from them.	
d)	A statement clearly showing there in the migration of financial assets from standard to non-performing.	Nil
e)	Value of Financial assets acquired during the financial year either on the books of the company or in the books of the Trusts. (UPTO 31.03.2020)	0
f)	Value of the financial assets fully realized during (UPTO 31.03.2020).	45,83,00,000
g)	Value of financial assets including assets acquired through Trust and outstanding for realization	97,40,00,000
h)	i. value of security receipts redeemed partially (UPTO 31.03.2020)	28,05,00,000
	ii. value of security receipts redeemed fully (UPTO 31.03.2020)	0
j)	Value of security receipts which could not be redeemed as a result of non-realization of the	Nil
k)	Value of land and/or building acquired in ordinary course of business of reconstruction of assets	Nil
l)	Details of assets where the value of acquisition is more than the book value (the value of assets as	Nil
m)	Details of Assets disposed off (either by write off or by realisation) during the year at discount of more than 20% of valuation as on the previous year and reasons therefore.	Nil
n)	Details of Assets where the value of the SR has declined more than 20% of the acquisition value.	Nil

OTHER INFORMATION:

1.As per the guidelines of RBI, it is mandatory to increase Net Owned Funds to a minimum of Rs. 100.00 crore on or before 31.03.2019. Since this is not complied by the company due to technical reasons, RBI has cancelled the Certificate of Registration (CoR) vide its order dated 30.08.2019. The Company has identified an alternative investor and also in a position to infuse fresh capital. Aggrieved by this, the Company has appealed to the Secretary, Department of Financial Services, Government of India for restoration of licence on 09.10.2019. DFS has sought the remarks of RBI on our appeal. The matter is under the active consideration of the Finance Ministry.

2. With respect to M/S Reliance Cellulose products Ltd(Trust 10) deposited a fixed deposit with State bank of india, ICICI bank & Punjab national bank amounting to 27,27,35,939.00.

3. The Management has decided to opt new tax regime under section 115 BAA (Tax on income of certain domestic companies which was introduced by the taxation laws ordinance 2019 w.e.f A.Y 2020-21). The Effective tax rate U/s 115BAA is 25.17%. From this year onwards the company liable to pay U/S 115BAA.

4.Resolution fee paid to resolution agents of different trusts is routed through Meliora. Hence the total turnover appearing in the Profit & Loss Account does not tally with that of the GSTR 3B returns filed. The detailed explanation is referred in Annexure (1).



Annexure (1)				
MONTH	TURNOVER AS PER GSTR 3B	TURNOVER AS PER BOOKS (A)	Resolution fee not considered in books (B)	Total (A+B)
Apr-19	10,59,800	10,20,000	-	10,20,000
May-19	7,18,000	5,60,000	1,58,000	7,18,000
Jun-19	19,55,500	19,55,500	-	19,55,500
Jul-19	7,85,000	5,60,000	2,25,000	7,85,000
Aug-19	-	-	-	-
Sep-19	21,90,000	21,90,000	-	21,90,000
Oct-19	15,45,000	14,85,000	60,000	15,45,000
Nov-19	-	-	-	-
Dec-19	-	-	-	-
Jan-20	32,85,000	32,85,000	-	32,85,000
Feb-20	-	-	-	-
Mar-20	1,10,28,845	1,06,71,695	3,57,150	1,10,28,845
	2,25,67,145	2,17,27,195	8,00,150	2,25,27,345

