CASTLE TRADERS LIMITED

CIN : L51909TN1983PLC045632 **GSTIN : 33AABCC8853F1ZR**

Regd. Office : 'BHARAT KUMAR BHAVAN' , No.617, ANNA SALAI, Chennai - 600 006

Phone : 044 4226 9666 Website : www.castletraders.in E-mail: [redacted]. cs@khivrajmail.com

26th August, 2019

Mr. Vaibhav Shah,
Listing & Compliance,
The Metropolitan Stock Exchange of India Limited,
Vibgoyor Towers, 4th Floor,
Plot No. C62, Opp. Trident Hotel,
Bandra Kural Complex,
Bandra (E), Mumbai - 400098

Dear Sir,

Sub: Furnishing of Annual Report for the year 2018-2019 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Symbol: CASTLE; Series: BE; ISIN: INE262V01014

In further reference to our letter dated 24th August, 2019 wherein we had informed about the Book Closure dates with regard to our ensuing Annual General Meeting to be convened on Monday, 16th September, 2019, we are sending our Annual Report for the financial year 2018-2019 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Castle Traders Limited,

CASTLE TRADERS LTD. Chennai 600 002

R.Manoranjan
Company Secretary

CASTLE TRADERS LIMITED
[CIN:L51909TN1983PLC045632]

ANNUAL REPORT 2018-19

Regd.Office: No.617,'Bharat Kumar Bhavan', Anna Salai, Chennai – 600 006
www.Castletraders.in; E-Mail - cs@khivrajmail.com; Tel: 044 - 42269666.

Name	**CASTLE TRADERS LIMITED**
CIN	L51909TN1983PLC045632
Registered Office	NO.617, 'BHARAT KUMAR BHAVAN', ANNA SALAI, CHENNAI – 600 006. Website: www.castletraders.in E-Mail:cs@khivrajmail.com TEL: 044 -42269666.
Board of Directors	Mr. BHARAT KUMAR CHORDIA **Whole-Time Director** Mr. V. RAJAMANICKAM **Non-Executive Director** Mrs. PRASSAN KUMARI CHORDIA **Non-Executive Director** Mr. RAHUL BAID **Independent Director** Mr. A. LAKSHMI NARAYANAN **Independent Director**
Chief Financial Officer	Mr. L.VIJAY PRASAD
Company Secretary	Mr. R. MANORANJAN
Registrars and Share Transfer Agents	CAMEO CORPORATE SERVICES LIMITED, "SUBRAMANIAN BUILDING" No.1,CLUB HOUSE ROAD, CHENNAI – 600 002. TEL: 044- 2846 0390.
Auditor	S.C AJMERA &CO., CHARTERED ACCOUNTANTS NO.18, TECHNOCRAT HOUSING SOCIETY, MOTI MAGRI SCHEME, UDAIPUR -313 001(RAJ).
Banker	HDFC BANK , ANNA SALAI BRANCH, CHENNAI-600 006
Stock Exchange	METROPOLITAN STOCK EXCHANGE OF INDIA LIMITED (MSEI)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36^{th}Annual General Meeting of the Members of **Castle Traders Limited (CIN:L51909TN1983PLC045632)** will be held on Monday, 16^{th} September, 2019 at 2.30 p.m. at the registered office of the Company at No.617, 'Bharat Kumar Bhavan', Anna Salai, Chennai - 600 006 to transact the following business:

<u>ORDINARY BUSINESS:-</u>

1. Adoption of Financial Statements:

To consider and adopt the Audited Financial Statements (including consolidated financial statements) of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon.

2.Re-Appointment of a Director

To appoint a Director in the place of Ms.Prassan Kumari Chordia (DIN:01955334) who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and, being eligible, seeks reappointment.

3. Appointment of Statutory Auditors

To appoint M/s. S.C. Ajmera & Co, Chartered Accountants, (ICAI Firm Registration No.002908C) as the Statutory Auditors of the Company and to fix their remuneration and for the purpose, to consider and if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution

"**RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s), thereof for the time being in force, and pursuant to the recommendation of Audit Committee and the Board of Directors of the Company,M/s. S.C. Ajmera & Co, Chartered Accountants, (ICAI Firm Registration No.002908C) be and is hereby appointed as the Statutory Auditors of the Company for a term of five years commencing from the conclusion of this Annual General Meeting till the conclusion of 41^{st} Annual General Meeting to be held in FY 23-24 and that the Board be and is hereby authorised to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committees thereof) and/or the Company Secretary of the Company be and are hereby severally authorised for and on behalf of the Company to take all necessary steps and to do all such acts, deeds matters and things which may deem necessary, proper or expedient to give effect to this resolution"

SPECIAL BUSINESS:-

4. Approval of Remuneration Payable to Whole- time Director

To consider and approve the Remuneration Payable to Whole time Director of the Company and in this regard 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 196,197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act consent of the Company be and is hereby accorded to pay remuneration by way of salary Rs. 2,40,000/- per annum to Mr. Bharat Kumar Chordia, Whole time Director of the Company with effect from 1st April, 2019 with further liberty to the Board of Directors (which term shall always be deemed to include any Committee as constituted by the Board to exercise its powers including the powers conferred under this resolution) to revise his remuneration from time to time as they deem fit within the limits of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Bharat Kumar Chordia, the Company has no profits or does not earn any profits or its profits are inadequate as contemplated under the provisions of Schedule V to the Companies Act, 2013 the Company will pay as the minimum remuneration by way of salary as specified above and subject to the receipt of the requisite approvals, if any required.

RESOLVED FURTHER THAT the above remuneration shall be in addition to fees payable to the director(s) for attending the meetings of the Board or any Committee thereof or General Meetings as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings

By Order of the Board of Directors
Sd/-

R. MANORANJAN
Company Secretary

Place: Chennai
Date: May 24th, 2019

Registered Office:
No.617, Bharat Kumar Bhavan,
Anna Salai, Chennai – 600040
Tel: 044- 42269666,
(CIN: L51909TN1983PLC045632)
Website: www.castletraders.in
E-mail:cs@khivrajmail.com

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy instead of himself/herself to attend and vote at the meeting and such a proxy need not be a member. The proxies in order to be valid must be received by the company not less than 48 hours before the commencement of the meeting.
2. Pursuant to Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) Members and holding in aggregate of not more than 10% of the total share capital of the company. However, a single person may act as a proxy for a member holding more than 10% of the total share capital of the company provided that such person shall not act as a proxy for any other person or shareholder.
3. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered as invalid.
4. The corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. The Proxy form(s) and certified copy of the Board resolution(s) authorizing representative(s) to attend and vote at the Meeting shall be sent to the registered office of the Company and addressed to the "Secretarial Department".
6. The Annual Report of the Company for the year 2018-19, circulated to the Members of the Company, is available on the Company's website viz. www.castletraders.in
7. In terms of the listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares.
8. All documents referred to in the Notice will be available for inspection at the Company's registered office during the office hours.
9. The route map of the venue of the Meeting is given in the Annual Report. The prominent landmark for the venue is, "Anna Salai KTM".
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The company is providing facility for voting by electronic means and the business may be transacted through such voting.
12. The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. The Members are requested to notify immediately any change of address:

    i) to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
    ii) to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.

14. The Register of Members and the Share transfer books of the Company will remain closed from 10th September, 2019 to 16th September, 2019(both days inclusive).

15. **E-VOTING FACILITY**

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 36th Annual General Meeting of the Company.

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the 36th AGM. The Members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

Information and other instructions relating to e-voting are as under:
In compliance with the provisions of section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the Annual General Meeting scheduled to be held on Monday, 16th September, 2019 at 2.30 p.m. at the Registered Office of the Company at No.617, New No.418, 'Bharat Kumar Bhavan', Anna Salai, Chennai - 600006 by electronic means and the business may be transacted through remote e-voting.The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities.

i)		The e-voting period begins on **9.00 a.m. on 13th September, 2019** and end on **05.00 p.m. on 15th September, 2019**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **10th September, 2019**, may cast their vote electronically.The e-voting module shall be disabled by CDSL for voting thereafter.
ii)		The process and manner for voting by electronic means:-
	a.	The shareholders should log on to the e-voting website www.evotingindia.com
	b.	Click on Shareholders / Members:-
	c.	Enter your **User ID** as categorised below
		For CDSL: 16 digits beneficiary ID,
		For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
		Members holding shares in Physical Form should enter Folio Number registered with the Company as **User ID**. • In Case the Folio number is less than 8 digits enter the applicable 0's before the folio number • E.g. if the Folio number is 100 then enter 00000100 as user ID.
	d.	Enter the Image Verification as displayed.
	e.	If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
	f.	If you are a first time user or holding shares in physical form follow the steps given below:
		Enter PAN and Date of Birth **or** PAN and Bank Account Number (Dividend Account)

		PAN	• Enter your 10 digit alpha-numeric *PAN • Members who have not updated their PAN with the Company/Depository Participant are requested to use the **sequence number** which is mentioned in the address label as PAN. • In Case the sequence number is less than 8 digits enter the applicable, 0's before the number after the first Two characters of the name in CAPITAL Letters. E.g. if your Name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
		DOB	Enter the Date of Birth in **dd/mm/yyyy** format.
		Bank Account Number (Dividend Account)	• Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. • If the details are not recorded with the depository or company please enter the member id or folio number in the place of Bank account Number. • In Case the member id or folio number is less than 8 digits enter the applicable 0's before the folio number. E.g. if the Folio number is 100 then enter 00000100
	g.	After entering these details appropriately, click on **"SUBMIT"** tab.	
		a.	Members holding shares in physical form will then directly reach the Company selection screen.
		b.	• Members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. • Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. • It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
	h.	For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.	
	i.	Click on the EVSN of Castle Traders Limited on which you choose to vote.	
	j.	On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.	
	k.	Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.	
	l.	After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.	
	m.	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.	
	n.	You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.	
	o.	If Demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.	
	p.	Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store.	

		Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
	q.	Note for Non – Individual Shareholders and Custodians • Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.comand register themselves as Corporate.
	r.	A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
	s.	After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
	t.	The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
	u.	A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
iii)		In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
iv)		The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date /record date of **10th September, 2019.**
v)		The Company shall be making arrangement for the member to cast their votes in respect to the business through poll/ballot paper, for members attending the meeting who have not cast their vote by voting.
vi)		Mr.S. Jai Hari, Practicing Company Secretary, Chennai has been appointed as the Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
vii)		The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
viii)		Members can choose only one of the two options namely e-voting or voting through physical assent/dissent form. In case votes are casted through both the formats, then votes casted through e-votingshall stand cancelled and thosevotes casted through physical assent/dissent form would be considered subject to the assent/dissent form being found to be valid.
ix)		The result declared, along with the Scrutinizer's report shall be placed on the company's website www.castletraders.in and on the website of the CDSL after the result is declared by the Chairman and also be communicated to the Stock Exchange where the company's shares are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item No. 4: Approval of payment of Remuneration of whole time Director of the Company

The Board of Directors at their meeting held on 29thMay, 2017 had appointed Mr. Bharat Kumar Chordia as Wholetime Director of the Company without any remuneration.The said appointment had also been approved by the Shareholders at the 34th Annual General Meeting held on 5th July, 2017.

Mr. Bharat Kumar Chordia is the promoter of the Company. Considering his contribution and performance made by Mr. Bharat Kumar Chordia for the growth of the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 24th May, 2019 approved his remuneration with effect from 1st April, 2019 subject to your approval.

Mr. Bharat Kumar Chordia, Whole time Director shall be paid sitting fees for attending the Meetings of the Board and General Meetings as may be decided by the Board of Directors from time to time.

The Board accordingly recommends the resolution set out at Item No. 4 of the accompanying notice for the approval of the Members.

None of the Directors and Key Managerial Personnel and their relatives except Mr. Bharat Kumar Chordia are concerned or interested in the resolution mentioned at Item No 4 of the notice.

By Order of the Board of Directors

Sd/-

R. MANORANJAN
Company Secretary

Place: Chennai
Date: May 24th, 2019

Registered Office:
No.617, Bharat Kumar Bhavan,
Anna Salai, Chennai – 600040
Tel: 044- 42269666,
(CIN: L51909TN1983PLC045632)
Website: www.castletraders.in
E-mail:cs@khivrajmail.com

BOARD'S REPORT

36th ANNUAL REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF THE COMPANY

Your Directors have pleasure in presenting to you their 36th Annual Report together with the Audited Annual Financial Statements of the Company for the year ended 31st March, 2019 and the Auditors' Report thereon

1. FINANCIAL RESULTS (Standalone and Consolidated):-

The Company's financial performance for the previous and current financial year is under review:-

	For the year ended 31st March, 2019	For the year ended 31st March 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Standalone		Consolidated	
Total Income	23,72,08,860	19,84,22,566	23,72,08,860	19,84,22,566
Total Comprehensive income	2,47,88,709	13,98,503	2,69,63,112	(17,42,385)
Total Expenses	23,57,69,832	19,65,21,832	23,57,69,832	19,65,21,832
Depreciation and Amortization Expenses	5,515	12,372	5,515	12,372
Profit /(Loss) for the year	14,39028	19,00,734	14,39,028	19,00,734
Total Tax	3,63,617	3,62,185	3,63,617	3,62,185
Profit /(Loss) for the year	10,75,411	15,38,549	10,75,411	15,38,549
Add: Share of profit from Associate	-	-	21,74,403	(31,40,888)
Profit for the year after share of profit from associate	-	-	32,49,815	(16,02,339)
Earnings per share (Basic) & (Diluted)	4.399	6.28	13.26	(6.54)

2. STATE OF AFFAIRS:-

The main business of the Company is dealership of vehicles , general order suppliers, contractors, importers, traders, exporters, merchants, stockiest, buyers, sellers, growers, agents, brokers of all kind of cloths, coal, chemicals, paper and engineering goods.

The Company also expanded its business in automobile sector for augmenting the revenues of the Company. The Company had entered into an arrangement with its group company

M/s. Khivraj Motors Private Limited and M/s. Khivraj Vahan Private Limited for dealing in used cars sale and has started trading of used Cars last year.

During the year under review the total income of the Company is increased from Rs.19,84,22,566/- to Rs.23,72,08,860/- and recorded profit before Tax of Rs.14,39,028/-.

3. RESERVES:-

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

4. DIVIDEND:-

The Board of Directors of your Company has not recommended any dividend for the year under review.

5. EXTRACT OF ANNUAL RETURN:-

In compliance with Section 134 (3) (a) of the Act, an extract of the Annual Return in the prescribed format is appended to this report as **Annexure 1.**

6. DIRECTORS AND / KEY MANAGERIAL PERSONNEL:-

The Board functions as full Board and it meets at regular intervals, policy formulation, evaluation of performance and control functions vest with the Board.

The Board comprises of one Whole time Director and four non - executive Directors including two independent Directors.

Mrs. Prassan Kumari Chordia (DIN:01955334) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act 2013 and being eligible, seeks reappointment

At the Board meeting held on 5th February, 2019, Mr. R. Manoranjan was appointed as Company Secretary in place of Mrs. Vijayalakshmi, who resigned from the position of Company Secretary with effect from 31st January, 2019.

Pursuant to the provisions of Section 203 of the Companies Act 2013, Mr. Bharat Kumar Chordia, Whole-time Director, Mr. Vijay Prasath, Chief Financial Officer and Mr. R. Manoranjan, Company Secretary of the Company are the Whole-Time Key Managerial Personnel (KMP) of the Company as on date of this report. The remuneration and other details of KMP for the year 2018-19 are provided in Extract of the Annual Return which forms part of this Directors' report.

7. MEETINGS OF THE BOARD

Four Board Meetings were held during the financial year end on 29th May, 2018, 13th August, 2018, 13th November, 2018, and 05th February, 2019. The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013. The details of the meeting and directors attendance are as below:-

S.No	Name of the Director	Designation and Category	No. of Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance of Last AGM
1.	Bharat Kumar Chordia	Whole time Director Executive	4	4	Yes
2.	V.Rajamanickam	Director, Non executive	4	4	Yes
3.	Prassan Kumari Chordia	Director, Non executive	4	3	Yes
4.	Rahul Baid	Director, Non executive, Independent	4	3	No
5.	A.Lakshmi Narayanan	Director, Non executive Independent	4	4	Yes

8. AUDIT COMMITTEE

The composition, powers, role and terms of reference of the Committee are constituted as per the Section 177 mentioned under the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015).

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 read with Schedule II of the SEBI Regulations, 2015. The Committee is vested with the necessary powers as defined in its Charter, to achieve its objectives.

The Company has an Audit Committee of the Board consisting of two Non-Executive Independent Directors and one Non executive Director. The audit committee met four times during the financial year ended 31st March, 2019 viz., 29th May, 2018, 13th August, 2018, 13th November, 2018 and 05th February, 2019.

There are no recommendations of the Audit Committee not accepted by the Board.The details of the meeting and directors attendance are as follows:

Sl No	Name of the Director	Status/Designation	No. of Meetings held	No. of Meetings attended
1.	Rahul Baid	Chairman Independent, Non Executive	4	3
2.	A. Lakshmi Narayanan	Member Independent, Non Executive	4	4
3.	V.Rajamanickam	Member, Non Executive	4	4

9. NOMINATION AND REMUNERATION COMMITTEE

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director’s performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors and Key Managerial Personnel.

The details of the meeting and directors attendance are as follows:-

S.No	Name of the Directors	Status/Designation	No. of Meetings held	No. of Meetings attended
1	Rahul Baid	Member, Independent, Non Executive	2	1
2	A. Lakshmi Narayanan	Member, Independent, Non Executive	2	2
3	V. Rajamanickam	Chairman, Non Executive	2	2

The Committee met Two times during financial year ended 31st March, 2019 viz, 29th May, 2018 and 05th February, 2019 to determine and recommend the appointment of Directors and Company Secretary.

10. REMUNERATION OF DIRECTORS

The Board of Directors at their meeting held on 29th May, 2017 had appointed Mr. Bharat Kumar Chordia as Whole-time Director of the Company without any remuneration. The said appointment had also been approved by the Shareholders at the 34th Annual General Meeting held on 5th July, 2017.

Mr. Bharat Kumar Chordia is the Promoter of the Company. Considering his contribution and performance made by Mr. Bharat Kumar Chordia for the growth of the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 24th May, 2019 approved his remuneration with effect from 1st April, 2019 subject to your approval.

The Board accordingly recommends the resolution set out at Item No. 4 in the Notice be approved.

Mr. Bharat Kumar Chordia, Whole time Director shall be paid sitting fees for attending the Meetings of the Board and General Meetings attended by him as decided by the Board from time to time. The details of shareholding as on 31st March, 2019 sitting fees and Remuneration paid to the Whole- time Director are also provided in MGT-9 (Extract of Annual Return) - **Annexure 1.**

11. NON-EXECUTIVE DIRECTORS

The Board of Directors decided to pay the Remuneration to Non-Executive Directors by way of Sitting Fees for the Meetings of the Board and General Meetings attended by them.

None of the Non-Executive Directors of your Company have any pecuniary relationship or material transactions with the Company except for Sitting Fees paid to them for attending Board Meetings and General Meetings

The Company has not issued Stock Options to any of its Directors. There is no differential Accounting Treatment followed in the Company during the Financial Year 2018-19.

The details of shareholding and sitting fees paid to the Non-Executive Directors as on 31st March, 2019 are given in MGT-9 (Extract of Annual Return) - **Annexure -1.**

12. GENERAL BODY MEETINGS

During the year, the company had two general meetings, one Annual General Meeting held on 23rd July, 2018 as per the statutory requirement and one Extra-Ordinary General Meeting held on 22nd November, 2018 for appointment of M/S. S.C. Ajmera & Co., Chartered Accountants as Statutory Auditors in terms of Section 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 due to casual vacancy caused by resignation of Mr. Pari, M/S. V. Krishnan & Co., Chartered Accountants.

13. DIRECTORS RESPONSIBILITY STATEMENT:-

Pursuant to the requirements under section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, your Directors confirm that they have:

(a) followed in the preparation of the annual accounts, the applicable accounting standards and given proper explanations relating to material departures, if any;
(b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial period and the profit of the company for that period;
(c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
(d) prepared the annual accounts on a going concern basis;
(e) had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
(f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. DETAILS IN RESPECT OF FRAUDS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013:-

There were no instances available that the auditors have reported frauds to the audit committee or the Board or to the Central Government during the financial period under review.

15. DECLARATION OF INDEPENDENT DIRECTOR:-

The Company has received necessary declaration from each Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

16. MATERIAL SUBSIDIARIES:-

The Company does not have any subsidiary except an associate company, Navaratan Property and Holdings Private Limited and the Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the company as the paid-up capital and net worth of the company is not exceeding rupees ten crores and twenty five crores, respectively.

17. CODE OF CORPORATE GOVERNANCE:

The compliance with the corporate governance provisions as specified in Part C, D & E of Schedule V of SEBI (LODR) Regulations 2015 are not applicable to the company since the Company was having paid-up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crore as on the last day of the previous financial year.

Part F Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Disclosures with respect to demat suspense account/ unclaimed suspense Account – There are no shares outstanding in demat suspense account or unclaimed suspense account.

18. NOMINATION AND REMUNERATION POLICY :-

The nomination remuneration policy is framed in compliance with Section 178 of the Companies Act, 2013.

The purpose of forming the committee is to:-

(a) identify a person who are qualified to become directors, key managerial personnel and recommend to the Board their appointment and removal;
(b) shall carry out evaluation of every director's and every committee member's performance;
(c) frame a remuneration policy for the directors/KMPs;
(d) evaluation of the performance of the independent directors, etc.,

19. VIGIL MECHANISM :-

The company has established a vigil mechanism (for directors and employees to report genuine concerns) pursuant to the provisions of Section 177 of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and there no significant events for reporting. It is further affirm that no employee has been denied access to the audit committee during the year 2018- 19.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE BY THE COMPANY:-

During the year, the company has not given loan or advances or provided security or guarantee to other companies as prescribed under the Section 186 of the Companies Act, 2013. Also the Company has not taken any secured loans or unsecured loans under the Companies Act 2013.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:-

The particulars of contract or arrangement made with the related parties made pursuant to Section 188 of the Companies Act, 2013 are furnished in Form AoC-2 as **Annexure-2** to this report

22. MATERIAL CHANGES AND COMMITMENT IF ANY:-

There are no material changes and commitments affecting the financial position of the company have occurred after the close of the financial year.

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

A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

As per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, stipulates that the report of the Board shall contain the information viz., the steps taken to conserve the energy, the steps taken for utilizing the alternate sources of energy, the capital investment on energy conservation equipments, the efforts made towards technology absorption, the benefits derived due to technology absorption, information about import technology if any, and the expenditure incurred on research and development etc.,

As the company is a trading company, there were no opportunity for the company to conserve energy and absorb technology. However, wherever possible, the company made sufficient measures to save energy and absorb technology.

B) FOREIGN EXCHANGE EARNINGS AND OUTGO:-

During the year, the company has not made any actual foreign exchange earnings or outgo.

24. RISK MANAGEMENT :-

The Board periodically reviews the risks which are associated with business objectives, growth, talent aspects etc., and actions are being taken to mitigate those risks then and there.

25. CORPORATE SOCIAL RESPONSIBILITY:-

The Company has neither developed nor implemented any Corporate Social Responsibility initiatives as the Net worth, Turnover or Net profit of the company had not reached the threshold limits prescribed under Section 135 of the Companies Act, 2013.

26. FORMAL ANNUAL EVALUATION:-

Your company believes that the Board and committees are playing a very important role in the performance of the company. Monitoring and giving timely inputs of the Board and committees enhances the performance and set the right directions for growth. The annual evaluation has been made at the close of the financial period. The evaluation of the Board and Committee was conducted based on the peer evaluation excluding the director/member being evaluated through Board / Committee effectiveness survey.

The performance evaluation has been made and all the directors / committee members and they have given satisfactory report of the fellow members of the Board as well as the Audit Committee and the Nomination and Remuneration Committee.

27. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:-

The Company does not have any Subsidiary and Joint venture Company except one associate company named Navaratan Property Holdings Private Limited.

The Form AOC -1 having particulars about the associate company is enclosed. There is no contribution from that company for the overall performance of your company except to the extent of investment held in that company specified in **Annexure - 3.**

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDER:-

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the company and its future operations.

29. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

30. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the period under review. Hence, the details relating to deposits covered under the Chapter V is not required to disclose.

31. GREEN INITIATIVE:

During the year 2018-19, we continued the sustainability initiative with the aim of going green and minimizing our impact on the environment. Like earlier years, this year also we are publishing only the statutory disclosures in the print version of the Annual Report. Additional information is available on our website, *www.castletraders.in*

Electronic copies of the Annual Report 2018-19 and Notice of the 36th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 and the Notice of the 36th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary, Castle Traders Limited.

The Company is providing remote E-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for remote E-voting are provided in the Notice.

32. LISTING WITH STOCK EXCHANGE:

The company confirms that it has paid the Annual Listing Fees for the year 2019-20 to the Metropolitan Stock Exchange India Limited where the company's shares are listed.

33. STATUTORY AUDITORS:-

The Shareholders of the Company at their meeting held on 22nd November, 2018 on recommendation of the Board of Directors had appointed M/s. S.C. Ajmera & Co, Chartered Accountants (ICAI Firm Registration No.002908C) as the Statutory Auditors of the Company in place of casual vacancy caused by the resignation of auditor M/s. V. Krishnan & Co., Chartered Accountants to conduct the audit for the financial year 2018-19 and to hold office up to the conclusion of this Annual General Meeting on such a remuneration as may be mutually decided by the Board of Directors and Auditors.

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder, M/s. S.C. Ajmera & Co, Chartered Accountants (ICAI Firm Registration No.002908C), the present Statutory Auditors of the Company complete their term as Auditors in this Annual General Meeting. In view of the above, M/s. S.C. Ajmera & Co, Chartered Accountants (ICAI Firm Registration No.002908C) have been appointed as Statutory Auditors of the Company for a term of five years commencing from the conclusion of this Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in FY 23-24 on such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.

Accordingly, the Directors recommend the resolution set out in the notice and placed before the Members be approved

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

34. INTERNAL AUDITOR:

The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the statutory auditors. A qualified Company Secretary has been appointed as Internal Auditors of the Company, to conduct internal audit functions and activities of the Company.

35. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.S.Ganesan, Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report is annexed to this report as **Annexure - 4.**

36. COST AUDITOR:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and Audits) Rules, 2014, as amended from time to time the business activities of the company do not fall under the scope of mandatory cost audit.

37. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis as required in terms of Listing Regulations is annexed to this report as **Annexure- 5.**

38. DISCLOSURE AS PER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014 AND FURTHER AMENDMENT THEREOF:-

None of the employees are drawing remuneration more than the limit specified under the Companies Act, 2013. Hence, details of the employees of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not furnished.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forming part of the Annual Report, is available for inspection at the registered office of the company during working hours. Any member interested in obtaining such information may write to the Company and the same will be furnished without any fee and free of cost.

39. SHARES:-

- The Company has not bought back any of its securities during the period under review.
- The Company has not issued any sweat equity shares during the period under review.
- No Bonus Shares were issued during the period under review.
- The Company has not provided any stock option scheme to the employees.
- The Company has not issued / allotted / completed the issue of / any equity shares with differential rights.

40. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti Sexual Harassment Policy in line with the requirement of the Prevention of Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. Internal complaints committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company has not received any complaint of Sexual harassment during the year 2018-19 under review.

41. ACKNOWLEDGEMENTS:-

Your Directors place on record their sincere thanks to all the stake holders for their continued support extended to your Company's activities during the period under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

For and on Behalf of the Board of Directors
Castle Traders Limited

Date: May 24th, 2019
Place: Chennai

Bharat Kumar Chordia	**V. Rajamanickam**
Whole-time Director	**Director**
[DIN:00049455]	**[DIN:00049594]**

Annexure -1

FORM – MGT -9
EXTRACT OF ANNUAL RETURN
Financial year ended on 31st March, 2019

[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	L51909TN1983PLC045632
ii)	Registration Date	26/10/1983
iii)	Name of the Company	**CASTLE TRADERS LIMITED**
iv)	Category / Sub-Category of the Company	Company having share capital
v)	Address of the Registered office and contact details	No.617, 'Bharat Kumar Bhavan, Anna Salai, Chennai - 600 006 Email:cs@khivrajmail.com
vi)	Whether listed company	YES, (Listed in Metropolitan Stock Exchange India Limited)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	CAMEO CORPORATE SERVICES LIMITED, “SUBRAMANIAN BUILDING” No.1,CLUB HOUSE ROAD, CHENNAI – 600 002, TEL.2846 0390. Email id: investor@cameoindia.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:-			
SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sale of used vehicles	45102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
S. No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	NAVARATAN PROPERTY HOLDINGS PRIVATE LIMITED	U51219WB1995PTC067353	Associate	34.71%	2(6)

IV (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 Total**	**Demat**	**Physical**	**Total**	**% of total shares Total**	
A. Promoters									
(1) Indian									
a) Individual/ HUF	137000	0	137000	55.92	137000	0	137000	55.92	0.0
b) Central Govt	0	0	0	0	0	0	0	0	0.0
c) State Govt (s)	0	0	0	0	0	0	0	0	0.0
d) Bodies Corp.	42500	0	42500	17.35	42500	0	42500	17.35	0.0
e) Banks / FI	0	0	0	0	0	0	0	0	0.0
f) Any Other	0	0	0	0	0	0	0	0	0.0
Sub-total (A) (1) :-	**179500**	**0**	**179500**	**73.27**	**179500**	**0**	**179500**	**73.27**	**0.0**
(2) Foreign									
a) NRIs -Individuals	0	0	0	0	0	0	0	0	0.0
b) Other -Individuals	0	0	0	0	0	0	0	0	0.0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.0
d) Banks / FI	0	0	0	0	0	0	0	0	0.0
e) Any Other....	0	0	0	0	0	0	0	0	0.0
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0.0
Total shareholding of Promoter A= (A)(1)+(A)(2)	**179500**	**0**	**179500**	**73.27**	**179500**	**0**	**179500**	**73.27**	**0.0**

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 shares Total**	**Demat**	**Physical**	**Total**	**% of shares Total**	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.0	0	0	0	0.0	0.0
b) Banks / FI	0	0	0	0.0	0	0	0	0.0	0.0
c) Central Govt	0	0	0	0.0	0	0	0	0.0	0.0
d) State Govt	0	0	0	0.0	0	0	0	0.0	0.0
e) Venture Capital Funds	0	0	0	0.0	0	0	0	0.0	0.0
f) Insurance Companies	0	0	0	0.0	0	0	0	0.0	0.0
g) FIIs	0	0	0	0.0	0	0	0	0.0	0.0
h) Foreign Venture Capital funds	0	0	0	0.0	0	0	0	0.0	0.0
i) Others (specify)	0	0	0	0.0	0	0	0	0.0	0.0
Sub-total (B)(1) :-	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**	**0.0**	**0.0**

2. Non- Institutions									
a) Bodies Corp.	0	1100	1100	0.45	0	1100	1100	0.45	0.0
i) Indian	0	0	0	0	0	0	0	0	0.0
ii) Overseas	0	0	0	0	0	0	0	0	0.0
b) Individuals	52350	6300	58650	23.93	52350	6300	58650	23.93	0.0
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	0	0	0	0	0	0	0	0	0.0
ii)Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	0	0	0	0	0	0	0	0	0.0
c) Others (specify) Hindu Undivided Families	4300	1450	5750	2.35	4300	1450	5750	2.35	0.0
Sub-total (B)(2):-	**56650**	**8850**	**65500**	**26.73**	**56650**	**8850**	**65500**	**26.73**	0.0
Total Public Share Holding	**56650**	**8850**	**65500**	**26.73**	**56650**	**8850**	**65500**	**26.73**	0.0
(B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0.0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.0
Grand Total (A)+(B)+(C)	**236150**	**8850**	**245000**	**100.00**	**236150**	**8850**	**245000**	**100.00**	**0.0**

(IV)(ii) Promoter Shareholding Pattern								
S.No	**Name of the Share Holder**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% change in share holding during the period**
		No. of Shares	**% of total Shares of the company**	**%of Shares Pledged encumbe red**	**No. of Shares**	**% of total Shares of the company**	**% of Shares Pledged / encumber ed to total number of Shares**	
1	Bharat Kumar Chordia	34500	14.08	0.0	34500	14.08	0.0	0.0
2	Kanta Devi Chordia	12000	4.90	0.0	12000	4.90	0.0	0.0
3	Khivraj Holdings Private Limited	31500	12.86	0.0	31500	12.86	0.0	0.0
4	Mitali Chordia	12000	4.90	0.0	12000	4.90	0.0	0.0
5	Navaratanmull Chordia	12000	4.90	0.0	12000	4.90	0.0	0.0
6	Prassan Kumari Chordia	11500	4.69	0.0	11500	4.69	0.0	0.0
7	Akanksha Chordia	11500	4.69	0.0	11500	4.69	0.0	0.0

8	Kritika Chordia	11000	4.49	0.0	11000	4.49	0.0	0.0
9	Ajit Kumar Chordia	11000	4.49	0.0	11000	4.49	0.0	0.0
10	Manisha Chordia	11000	4.49	0.0	11000	4.49	0.0	0.0
11	Khivraj Motors Private Limited	11000	4.49	0.0	11000	4.49	0.0	0.0
12	Navaratanmull Chordia -Ajit Kumar (HUF)	10500	4.29	0.0	10500	4.29	0.0	0.0
TOTAL		**1,79,500**	**73.27**	**0.0**	**1,79,500**	**73.27**	**0.0**	**0.0**

(IV)(iii) Change in Promoters Shareholding						
S.No	**Name of the Share Holder**	**Shareholding at the beginning of the year**	**% of total share holding**	**Cumulative shareholding (transfer/ allotment/bonus)**	**Shareholding at the end of the year**	**% of total share holding**
No change in Promoter shareholding during the year						

(IV)(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):-						
S.No	**Name of the Share Holder**	**Shareholding at the beginning of the year**	**% of total share holding**	**Cumulative shareholding (transfer/ allotment/bonus**	**Shareholding at the end of the year**	**% of total share holding**
1	Rishab Kumar Bothra /GarimaBothra	11500	4.69	0.0	11500	4.69
2	Kamala Devi Sethia	4000	1.63	0.0	4000	1.63
3	Pushpa Sethia	4000	1.63	0.0	4000	1.63
4	Rajendra Kumar Sethia [HUF]	4000	1.63	0.0	4000	1.63
5	Rohit Baid	4000	1.63	0.0	4000	1.63
6	Chandrakant Kankaria	3300	1.35	0.0	3300	1.35
7	Sushil Kumar Daga	3100	1.26	0.0	3100	1.26
8	Rajendra Kumar Sethia	3000	1.22	0.0	3000	1.22
9	Sulekha Kumari Kankaria	2950	1.20	0.0	2950	1.20
10	Deepti Kankaria	2700	1.10	0.0	2700	1.10

IV(v) Shareholding of Directors and Key Managerial Personnel:				
Each of the Directors and KMP	**Shareholding at the beginning of the year**		**Cumulative shareholding during the year**	
1.Bharat Kumar Chordia-Whole time Director	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	34500	14.08	34500	14.08
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

2.Prassan Kumari Chordia- Director	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	11500	4.69	11500	4.69
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

3.V.Rajamanickam-Director	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	11500	4.69	11500	4.69
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

Name of the Key Managerial Personnel

4. L.Vijaya Prasad -CFO	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	0	0.0	0	0.0
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

5. S.Vijayalaskhmi-Company Secretary (Resigned with effect from 31st January, 2019)	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	0	0.0	0	0.0
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

6. R. Manoranjan- Company Secretary (Joined as Company Secretary with effect from 5th February, 2019)	**No of shares**	**% of total share holding**	**No of shares**	**% of total share holding**
At the beginning of the year	0	0.0	0	0.0
Transaction (transferred during the year)	0	0.0	0	0.0
At the end of the year	0	0.0	0	0.0

V.INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition		NIL		
Reduction				
Net Change				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			
S.No	**Particulars of Remuneration**	**Bharat Kumar Chordia (Whole time Director)**	**Total Amount**
1	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites under section 17(2) of Income Tax Act, 1961 c) profit in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-
2	Fee for attending Board / Committee Meetings/General Meetings	30,000	30,000
3	Stock Options	-	-
4	Sweat Equity	-	-
5	Contribution to PF and Superannuation	-	-
	Commission -as a percentage of profit	-	-
	Total (A)	**30,000**	**30,000**

B. (1)Remuneration to other Directors: Independent Directors				
S.No	**Particulars of Remuneration**	**Name of the Director**		**Total Amount**
		Rahul Baid	**Lakshmi Narayanan**	
1	Fee for attending Board/Committee Meetings/General Meetings	20,000	30,000	50,000
2	Commission	-	-	-
3	Other, please specify	-	-	-
Total B (1)		**20,000**	**30,000**	**50,000**

B. (2)Remuneration to other Directors: Non executive Directors				
S. No	**Particulars of Remuneration**	**Name of the Director**		**Total Amount**
		Prassan Kumar Chordia	**V.Rajamanickam**	
1	Fee for attending Board/Committee Meetings/General Meetings	25,000	30,000	55,000
2	Commission	-	-	-
3	Other, please specify	-	-	-
Total B (2)		**25,000**	**30,000**	**55,000**
Total (B)=(B)(1)+(B)(2)				**105000**

C. Remuneration to key managerial personnel other than MD/Manager/WTD					
S no.	**Particulars of Remuneration**	**Key Managerial Personnel**			**Total Amount**
		Mr. R. Manoranjan- Company Secretary (1 Month)	**Mrs S. Vijayalakshmi- Company Secretary (10 Months)**	**Mr. L. Vijya Prasad (CFO)**	
1	Gross salary (per annum)				
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	1,09,658	2,00,000	57,400	3,67,058
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of Profit	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (C)	**1,09,658**	**2,00,000**	**57,400**	**3,67,058**

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	Not applicable				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Not applicable				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not applicable				
Punishment					
Compounding					

For and Behalf of the Board of Directors
Castle Traders Limited

Place: Chennai
Date: May 24th,2019

Bharat Kumar Chordia
Whole-time Director
(DIN:00049455)

V.Rajamanickam
Director
(DIN:00049594)

Annexure - 2

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

Details of contracts or arrangements or transactions at arm's length basis				
a.	Name(s) of the related party	**Khivraj Motors Private Limited**	**Khivraj Vahan Private Limited**	**Mr.Bharat Kumar Chordia**
b.	Nature of relationship	Common Director	Common Director	Director
c.	Nature of contracts/arrangements/transactions	Ordinary course of business and Arm's Length Basis	Ordinary course of business and Arm's Length Basis	Ordinary course of business and Arm's Length Basis
d.	Duration of the contracts/arrangements/transactions	NA	NA	NA
e.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale of cars	Purchase of cars	Rent paid
f.	Value of arrangement	Rs.15,91,87,880	Rs.7,45,33,320	Rs.1,80,000
g.	Date(s) of approval by the Board, if any:	5th February 2019	5th February 2019	5th February 2019
h.	Date(s) of approval by the members, if any:	Not required	Not required	Not required

For and on Behalf of the Board of Directors
Castle Traders Limited

Date: May 24th, 2019
Place:Chennai

Bharat Kumar Chordia
Whole-time Director
[DIN:00049455]

V.Rajamanickam
Director
[DIN:00049594]

Annexure - 3

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part –A – Subsidiaries NIL

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl.No.	NIL
Name of the subsidiary:	
The date since when subsidiary was acquired	
Reporting period or the subsidiary concerned, if different from the holding company's reporting period.	
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	
Share capital:	
Reserves and surplus:	
Total assets:	
Total Liabilities:	
Investments:	
Turnover:	
Profit before taxation:	
Provision for taxation:	
Profit after taxation:	
Proposed Dividend/Interim Dividend:	
Extent of shareholding (in percentage):	
The following information shall be furnished at the end of the statement:	
Names of subsidiaries which are yet to commence operations: **Not applicable**	
Names of subsidiaries which have been liquidated or sold during the year: **Not applicable**	

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company

No	Name of the Associate Company	**NAVARATAN PROPERTY HOLDINGS PRIVATE LIMITED**
1	Latest audited Balance Sheet date	31/03/2019
2	Date on which the Associate of Joint Venture was associated or acquired	27/03/2010
3	**Shares of Associate held by the company on end of the period**	
	Number of shares	83,90,250
	Amount of investment in associates	Rs.8,47,500
	Extend of Holding %	34.71
4	Description of how there is significant influence	Control having more than 20% of shareholding
5	Networth of the company	*Rs.24,18,46,329
6	Networth attributable to the shareholding as per latest audited balance sheet	*Rs.8,39,44,861
7	**Profit/(Loss) for the period**	***Rs. 86,38,799**
8	Considered in consolidation	Rs.32,49,815
9	Not considered in consolidation	NIL

Note: this form shall be certified in the same manner in which the Balance sheet is to be certified.

For and on Behalf of the Board of Directors
Castle Traders Limited

Date: May 24th, 2019
Place: Chennai

Bharat Kumar Chordia
Whole-time Director
[DIN:00049455]

V.Rajamanickam
Director
[DIN:00049594]

*figures based on the unaudited financial results of Navaratan Property Holdings Private Limited.

Annexure -4

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 March, 2019

To,

The Members,
CASTLE TRADERS LIMITED,
(CIN:L51909TN1983PLC045632)
Bharat Kumar Bhavan,
No.617, Anna Salai, Chennai - 600 006.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CASTLE TRADERS LIMITED (CIN L51909TN1983PLC045632)** (hereinafter called the company). The 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 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 maintained by the Company for the financial year ended on 31.3.2019 according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (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) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (No transactions during the year under reference)

(v) All the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992:

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(e) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009 and

(i) The Securities and Exchange Board of India (Buyback of securities) Regulations, 1998;

(vi) The Shops & Establishments Act, Payment of Wages Act and other Social Welfare Acts;

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

(i)The Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii)The Company's shares are listed with the Metropolitan Stock Exchange of India Limited The shares of the company were earlier listed with the Madras Stock Exchange Limited (MSE). However, after the deregistration of MSE, the company listed its shares with Metropolitan Stock Exchange of India Limited with effect from 14.10.2016. The company has complied with all events based and time based compliances as per the Listing requirements during this period.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that

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

I further report that,

having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the laws specifically applicable to the company,

I further report that during the audit period,

The company has not made offerings of any securities;
The company has not redeemed any of its shares;
The company has not raised secured loans;

The company has not repaid secured/unsecured loans;

This report is to be read with my letter of even date which is annexed as Annexure A and form an integral part of this report.

S.GANESAN

Date: May 24th,2019
Place: Chennai

FCS 4779/CP 8336
(Company Secretary in Practice)

ANNEXURE –A

To,
The Members,
CASTLE TRADERS LIMITED,
(CIN:L51909TN1983PLC045632),
Bharat Kumar Bhavan,
617, Anna Salai,
Chennai – 600006.

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

Maintenance of Secretarial records is the responsibility of the Management of the company.

My responsibility is to express an opinion on these secretarial records based on my audit.

I have followed the audit practices and process 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, provides a reasonable basis for my opinion.

I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.

Wherever required, I have obtained the Management representation about Compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management .My examination was limited to the verification of procedure on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

S.GANESAN

FCS 4779/CP 8336
(Company Secretary in Practice)

Date: May 24th,2019
Place: Chennai

Annexure - 5

MANAGEMENT DISCUSSION & ANALYSIS

1. OVERVIEW:-

The automobiles sector in every country is dependent on other sectors like transport, physical infrastructure (road, rail, port and power), digital infrastructure (streamlined online portals for carrying out business operations remotely) and social infrastructure (automotive hubs), labor, and land acquisition.

All these factors play an important role in ensuring the business continuity in the automobile sector. The Indian auto industry is moving from SB-IV to BS-VI and to electric vehicles.

Despite teething troubles like GST, the auto industry recorded a milestone in the financial year 2018-19.

2. MOBILITY REVOLUTION:-

Use of public transport in India has waned as private vehicle ownership has boomed, but increasing strain on the road infrastructure in major cities means public investment is likely in urban mass mobility schemes such as metro systems and buses.

The automotive industry is unlikely to lose much of its customer base in the near-term, even as these schemes become more prevalent, because the socio-economic statement of car ownership will continue to make private vehicles desirable.

3. ACCESS TO MOBILITY:-

The industry is witnessing a shift from the traditional “ownership” mind set toward “access to mobility” Impact on automotive industry Business models operating in the short-term hire space despite being a very young market, the advanced mobility space is gaining ground in the country, with a multitude of business model variants.

In line with other global markets, India is also witnessing the proliferation of technology-driven mobility service providers (such as cab aggregators and ride-sharing companies). This is driven by factors such as high cost of vehicle ownership, rising congestion, growing connectivity and mobile penetration.

Consequently, the Indian consumer is being drawn toward the idea of “access” from “ownership,” as these technology-intensive business models provide short-term access to vehicles.

4. TRANSITION TO BS VI

As in the case of the oil companies, auto-makers will also be investing substantially on technology during the transition to BS VI. This means that their end products will become dearer too, which is a challenge in a price-sensitive market like India. How the industry manages to strike the balance between costs and quality is the big challenge going forward. The automobile industry will go the extra mile in meeting the cost challenge.

5. GREEN REVOLUTION:

India's automobile industry is poised at the start of an exciting phase of growth, not all of which may derive from manufacturing conventional fuel-based vehicles. Various possibilities ranging from developing vehicles based on alternate fuels to collaborating with some-time rivals, have the potential to open fresh avenues for growth.

In a price-conscious economy such as India, the shift towards green vehicles will be slow unless spurred by government mandates. Although the major players are already equipped with the necessary capabilities to develop cleaner vehicles, they do not see much merit in commercializing these technologies until the green revolution gains momentum most likely through changes in political legislation – and it achieves the market scale required for commercial viability.

Manufacturers are placing greater faith in dual-fuel technologies than in battery-powered alternatives because the necessary support infrastructure, such as recharge stations, is not yet in place for the widespread adoption of the latter.

Manufacturers of four-wheelers and commercial vehicles in particular stress the importance of optimizing conventional combustion engines before experimenting too radically with costly new technologies.

6. USED CAR SALES:-

India's automobile industry is one of the fastest growing in the world and it is already the sixth largest globally. The Indian used car market was valued at USD 21.04 Million in 2018 and is expected to register a CAGR of 15.12% during the forecast period, 2019-2024

Over the years, the used car market has evolved in the country with the growth of organized and semi organized sector. The used car market crossed the 4 million units mark in FY 2018, which states that used car market is 1.3 times of the new car market and the key growth drivers in the market is the revision of the GST rate on used cars from 28% to 12 - 18%. As the Indian auto-industry is entering the BS-VI era from April 2020, the value proposition of the used car can grow stronger, as new cars are expected to become expensive due to additional technology costs and reducing of production of diesel cars

The used car sector in the country is expected to witness an increased demand in the coming years, owing to factors, such as growth or advent in the online sector and growth of the organized sector.

7. GST IMPACT

Implementation of GST reduced the cost of manufacturing of cars and bikes due to the subsuming of different taxes levied earlier. Under GST, the taxes are charged on consumption state rather than the origin state, which would give a boost to the growth rate of the automobile industry.

8. GST IMPACT ON USED CAR SALES:-

As per the industry report in financial year 2018, the pre-owned car market is expected to grow by 15% but due to consecutive challenges, the market just grew by only 9%.

The segment had already been under pressure since demonetization in November 2016. According to the recent report, due to the high GST on larger vehicles, the sales of those vehicles fell by 25%. The used car dealer is paying the same amount of tax levied on a new car on the profit margin. This was killing the used car market.

Under GST, tax and cess on new and old vehicles were the same. These were levied on the profit margin of the used car dealers, putting sales volumes under pressure and made their business unviable. At these tax rates, the organized used car business was challenged.

However, at the close of the financial year, the decision of the Government to reduce tax and remove cess on the sale of used vehicles is expected to boost the pre-owned car market. Further, if the government reduces the tax rates and makes it uniform for car with different CC, this will boost for used car business.

According to the 'India Pre-owned Car Market Report 2019' almost 70% of the all vehicles sold in the used car market are small cars priced under Rs.4 lakh. The reduction of tax is expected to help the sector.

According to a research done by one of the leading digital platforms for buying and selling second-hand vehicles, the used cars business should grow from $18 billion to $60 billion in the next five years.

9. OTHER RISKS:-

The company is exposed to market risk, credit risk and liquidity risk. The company's principal financial liabilities include trade and other payables. The company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives.

10. PRODUCT-WISE PERFORMANCE:-

During the year, the company has recorded turnover through used car alone to the tune of Rs.23,70,81,340/-

11. FINANCIAL PERFORMANCE:-

The company tapped the used car sales market during the year for augmenting the revenues of the company. In this regard, the company had entered into an arrangement with its Group Company M/s. Khivraj Motors Private Limited and M/s. Khivraj Vahan Private Limited for dealing in used cars sale. Consequently, the total income of the company is increased from Rs.19,84,22,566/- to Rs.23,72,08,860/- and the company had also earned a profit before Tax of Rs.14,39,028/-.

12. MATERIAL DEVELOPMENT:-

The company would recruit people in the ensuing years. At present only three employees is in the role.

For and on Behalf of the Board of Directors
Castle Traders Limited

Date: May 24th, 2019
Place: Chennai

Bharat Kumar Chordia	**V.Rajamanickam**
Whole-time Director	**Director**
[DIN:00049455]	**[DIN:00049594]**

Independent Auditors' Report

To
The Members of
Castle Traders Ltd.

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Castle Traders Ltd.**("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India of the state of affair of the Company as at 31st March, 2019, the profit and total comprehensive income, changes in equity and 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 Auditor's 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Corporate Governance and Shareholders’ Information, but does not include the standalone financial statements and our auditor’s 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 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and accounting principles generally accepted in India.

This responsibility also includes 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial statements by the Board of Directors of the Company, as aforesaid.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions , misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory 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. As required by Section 143 (3) of the Companies Act, 2013 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 of the aforesaid standalone financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the standalone financial statements.

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the Directors as on 31.03.2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31.03.2019, from being appointed as a director as per the provisions of sub-section (2) of Section 164 of the Companies Act, 2013..

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      No remuneration was paid by the Company to its directors during the year.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There was no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place:- Udaipur
Date:- 24.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE ‘A’ TO THE AUDITORS’ REPORT

(Referred to Para (1) our Report of even date)

The Annexure referred to in Independent Auditors’ Report to the members of Castle Traders Ltd. (“the Company”) on the standalone financial statements for the year ended 31 March, 2019.

We report that:

i. According to information and explanation given to us, in respect of Fixed Assets

   a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
   b. The Company has a program of physical verification of its fixed assets by which fixed assets are verified at reasonable intervals. In accordance with this program, fixed assets were verified during the year and discrepancies which were noticed on such verification were properly dealt with in the books of accounts.
   c. According to the information and explanations given to us, the Company does not have immovable property and accordingly verification of its title deeds in the name of the company does not arise.

ii. According to information and explanation given to us, in respect of Inventory
   a. The physical verification of inventory has been conducted at reasonable intervals by the Management.
   b. The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of company and the nature of its business.
   c. The company has maintained proper records of inventory. The discrepancies noticed on such verification between the physical stocks and book stocks were not material and the same have been properly dealt with in the books of accounts.

iii. According to information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore requirement of clauses (iii) of the paragraph 3 of the order is not applicable to the company.

iv. According to information and explanation given to us, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with as applicable.

v. According to information and explanation given to us, the company has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India and within the meaning of the provisions of sections 73 to 76 and other relevant provisions of Companies Act, 2013 and the rules framed there under, where applicable. Thus, the clause (v) of paragraph 3 of the order is not applicable to the company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. In respect of statutory dues

a. According to the information and explanations given to us, and on the basis of our examination, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Excise, Duty of Customs, Value Added Tax, Cess and any other statutory dues with appropriate authorities. As explained to us no undisputed amounts payable in respect of such statutory dues were in arrears, as at **31st March, 2019** for a period of more than six (6) months from the date they became payable.

b. According to the information and explanations given to us as at the balance sheet date, there are no dues of income tax, Goods and Service Tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.

ix. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided during the year, hence the provisions of clause 3 (xi) of the order is not applicable to the Company.

xii. The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the standalone Financial Statements etc. as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations give 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 under review.

xv. According to the information and explanations give 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 them during the year.

xvi. According to information and explanation given to us, the Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place:- Udaipur
Date:- 24.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE 'B' TO THE AUDITORS' REPORT

Report on Internal Financial Controls over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Castle Traders Ltd.** ("the Company") as of March 31, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place:- Udaipur
Date:- 24.05.2019

Arun Sarupria – Partner
M. No. 078398

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Balance sheet as at March 31, 2019

(All amounts are in Indian rupees unless otherwise stated)

Particulars	Notes	As at 31-Mar-2019	As at 31-Mar-2018
Assets			
Non-current assets			
Property, plant and equipment	3	17,685	-
Financial assets			
Investments	4	42,012,631	9,967,634
Total non-current assets		**42,030,317**	**9,967,634**
Current assets			
Inventories	6	-	711,480
Financial assets			
Cash and cash equivalents	7	3,118,771	1,344,118
Other current assets	5	1,399,269	1,354,798
Total current assets		**4,518,040**	**3,410,396**
Total Assets		**46,548,357**	**13,378,030**
Equity and Liabilities			
Equity			
Equity share capital	8	2,450,000	2,450,000
Other equity	9	33,365,864	8,428,291
Total equity		**35,815,864**	**10,878,291**
Non-current liabilities			
Deferred tax liabilities (net)	12	10,654,650	2,321,972
Total non-current liabilities		**10,654,650**	**2,321,972**
Current liabilities			
Financial liabilities			
Trade payables	10	10,000	61,086
Provisions	12	45,000	42,185
Other current liabilities	13	22,842	74,496
Total current liabilities		**77,842**	**177,767**
Total liabilities		**10,732,492**	**2,499,739**
Total Equity and Liabilities		**46,548,357**	**13,378,030**

Statement on Significant Accounting Policies and Notes to the Financial Statements are an integral part of the financial statements.

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm Registration Number: 002908C

For and on Behalf of the Board of Directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: May 24th,2019

Bharat Kumar Chordia
Whole time Director
(DIN:00049455)

V. Rajamanickam
Director
(DIN:00049594)

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Statement of profit and loss for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

Particulars	**Notes**	**Year ended 31-Mar-2019**	**Year ended 31-Mar-2018**
Income			
Revenue from operations	14	237,081,340	198,421,832
Other income	15	127,520	734
Total Income		**237,208,860**	**198,422,566**
Expenses			
Purchase of traded goods	16	228,424,945	193,744,950
(Increase)/Decrease in inventories of finished goods	17	711,480	-692,858
Employee benefits expense	18	619,940	240,000
Finance costs	19	62,335	69,515
Depreciation and amortization expense	20	5,515	12,372
Other expenses	21	5,945,617	3,147,853
Total expense		**235,769,832**	**196,521,832**
Profit before tax		**1,439,028**	**1,900,734**
Current tax		443,838	362,185
Mat credit		-81,200	-
Deferred tax		979	-
Income tax expense		**363,617**	**362,185**
Profit for the year (I)		**1,075,411**	**1,538,549**
Other comprehensive income:			
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
Gain / (loss) on FVOCI equity securities (Net)		32,044,997	(188,614)
Deferred tax		(8,331,699)	48,568
		23,713,298	(140,046)
(ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Other comprehensive profit for the year, net of tax (II)		**23,713,298**	**(140,046)**
Total comprehensive income for the year, net of tax (I + II)		**24,788,709**	**1,398,503**
Earnings per equity share of INR 10 each	22		
Basic and diluted		4.39	6.28
Nominal value per equity share (Rs)		10.00	10.00
Statement on Significant Accounting Policies and Notes to the Financial Statements are an integral part of the financial statements.			

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm Registration Number: 002908C

For and on Behalf of the Board of Directors of Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: May 24th,2019

Bharat Kumar Chordia
Whole time Director
(DIN:00049455)

V. Rajamanickam
Director
(DIN:00049594)

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Cash flow statement for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

Particulars		Year ended 31-Mar-2019	Year ended 31-Mar-2018
Cash flow from operating activities			
Net Profit/(loss) before tax and extraordinary items		1,439,028	1,900,734
Adjustments for:			
Change in Reserve		148,864	-
Depreciation		5,515	12,372
Dividend income		-	-734
Finance costs		62,335	69,515
Cash flows before working capital changes		**1,655,742**	**1,981,887**
Adjustments for:			
Other non current assets		-	-511,604
Other current assets		-44,471	480,000
Inventories		711,480	-692,858
Provisions		2,815	42,185
Other current liabilities		-51,654	74,496
Trade payables		-51,086	39,928
Cash flows from operating activities		2,222,826	1,414,034
Direct taxes paid (net)		-362,638	-362,185
Net cash flows from operating activities	**A**	**1,860,188**	**1,051,849**
Cash flow used in investing activities			
Purchase of Fixed Assets		-23,200	
Dividend received		-	734
Net cash used in investing activities	**B**	**-23,200**	**734**
Cash flow from financing activities			
Interest paid		-62,335	-69,515
Net cash from financing activities	**C**	**-62,335**	**-69,515**
Net decrease in cash and cash equivalents	**(A+B+C)**	**1,774,653**	**983,068**
Opening balance of cash and cash equivalents	D	1,344,118	361,050
Closing balance of cash and cash equivalents	E	3,118,771	1,344,118
Net decrease in cash and cash equivalents	**(E-D)**	**1,774,653**	**983,068**

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm Registration Number: 002908C

For and on Behalf of the Board of Directors of Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: May 24th,2019

Bharat Kumar Chordia
Whole time Director
(DIN:00049455)

V. Rajamanickam
Director
(DIN:00049594)

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Statement of changes in equity for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	Number of shares	Amount
As at March 31, 2018	**245,000**	**2,450,000**
Issue of share capital during the period ended March 31, 2019	-	-
As at March 31, 2019	**245,000**	**2,450,000**

b. Other equity

Particulars	Reserves & Surplus			Total Other Equity
	General Reserve	Retained earnings	FVTOCI RESERVE	
As at March 31, 2018	**590,000**	**3,499,189**	**4,339,102**	**8,428,291**
Profit for the year	-	1,075,411	23,713,298	**24,788,709**
Previous year taxes paid	-	(201,245)	-	**(201,245)**
MAT Credit Adjustment	-	350,109	-	**350,109**
As at 31-Mar-2019	**590,000**	**4,723,464**	**28,052,400**	**33,365,864**

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm Registration Number: 002908C

For and on Behalf of the Board of Directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: May 24th,2019

Bharat Kumar Chordia
Whole time Director
(DIN:00049455)

V. Rajamanickam
Director
(DIN:00049594)

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company
Secretary

1. Corporate Information

Castle Traders Limited ("the Company") was incorporated in the year 1983. The Company is a public limited Company domiciled in India and has its listing on MSE Limited in India. The registered office of the Company is located in Chennai.

The Company is engaged in the business of trading goods primarily the sale of used cars.

2. Summary of significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The figures are presented in INR (Indian Rupees), unless otherwise stated.

2.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.3 Summary of Significant Accounting Policies

a.Current versus non-current classification

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

-Expected to be realised or intended to be sold or consumed in normal operating cycle;

-Held primarily for the purpose of trading;

-Expected to be realised within twelve months after the reporting period; or

-Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

-It is expected to be settled in normal operating cycle;

-It is held primarily for the purpose of trading;

-It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Fair Value Measurement

The Company measures financial instrument, such as, derivatives at fair value as at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

> Level 1- Quoted (unadjusted) market price in active markets for identical assets or liabilities.

> Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

> Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as investments and deposits measured at fair value, and for non-recuring measurement.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hirerachy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relavant notes to the financial statements.

c.Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i. Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods and collectability of resulting receivable. The Company generally recognises revenue on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to such extent.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii. Dividend

Dividend income is recognised when the right to receive the dividend is established

iv. Profit on sale of investments

Profit on sale of investment is recognised only at the time when the investments are realised.

d. Foreign currency transactions and balances

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Measurement as at Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of Exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

e. Inventories

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

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

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

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

Inventories are written down for obsolete/slow moving/non-moving items wherever necessary.

f. Provisions and contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of amounts required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

h. Taxes

Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

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

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

When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company’s cash management.

j.Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation on fixed assets is calculated on a written down value method ("WDV") over the useful life of the assets. Useful life as provided under schedule II of the Companies Act 2013 is considered. Residual value for all assets is considered at 5% of original cost.

Assets costing rupees five thousand or less are fully depreciated in the year of acquisition.

SL No	ASSET	Useful life as per Schedule II of the Act (In Years)	Actual useful life considered (In Years)
1	Computers	3	3

<u>Impairment of tangible and intangible assets carried at cost</u>

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash-generating units (CGU) recoverable value and its value in use. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending only for change in assumptions or internal/external factors. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. In respect of agreements entered into by the Company before the date of transition to Ind AS, the Company has evaluated the transaction based on facts and conditions as at the transition date.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company' general policy on the borrowing costs.

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

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

p. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- ► Debt instruments at amortised cost
- ► Debt instruments at fair value through other comprehensive income (FVTOCI)
- ► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:
- ► The rights to receive cash flows from the asset have expired, or
- ► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
► Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:
► Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.
► Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.
Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.
Loans and borrowings
This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings..

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De recognition

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

(All amounts are in Indian rupees unless otherwise stated)

3 Property Plant & Equipment

Particulars	Buildings	Vehicles	Computer	Total Property Plant & Equipment
As at 31-Mar-2018	**13,220**	**193**	**-**	**13,413**
Additions	-	-	23,200	23200
Disposals	-	-	-	-
As at 31-Mar-2019	**13,220**	**193**	**23,200**	**36,613**
Depreciation/Amortization				
Charge for the year	13,220	193	-	13,413
Disposals	-	-	-	-
As at 31-Mar-2018	**13,220**	**193**	**-**	**13,413**
Charge for the year*	-	-	5,515	5,515
Disposals	-	-	-	-
As at 31-Mar-2019	**13,220**	**193**	**5,515**	**18,928**
Net Block				
As at 31-Mar-2018	**-**	**-**	**-**	**-**
As at 31-Mar-2019	**-**	**-**	**17,685**	**17,685**

(All amounts are in Indian rupees unless otherwise stated)

4 Investments

	As at 31-Mar-2019	As at 31-Mar-2018
Investments at fair value through OCI (fully paid)		
Investment in non-group companies		
Quoted shares	3,800,000	3,325,000
Investment in group companies		
Unquoted shares	38,212,631	6,642,634
Total investments at cost	**42,012,631**	**9,967,634**
Aggregate market value Quoted of Investments	3,800,000	3,325,000

	As at 31-Mar-2019	As at 31-Mar-2018
Investment in quoted shares		
Arihant Securites Limited		
No of shares	475,000	475,000
Value	3,800,000	3,325,000
Aggregate amount of investment in quoted shares	**3,800,000**	**3,325,000**
Investment in unquoted shares		
Navratan Property Holdings Private limited		
No of shares	8,390,250	8,390,250
Value	847,500	847,500
Ultraplus Housing Estates Private limited		
No of shares	57,900	57,900
Value	37,188,868	5,618,871
Olympia Merlin Developers Private Limited		
No of shares	125,000	125,000
Value	176,263	176,263
Aggregate amount of investment in unquoted shares	**38,212,631**	**6,642,634**
Total current liabilities		
Total investments carried at FVOCI	**42,012,631**	**9,967,634**

Investment in fair value through OCI (fully paid) reflect investment in quoted and unquoted equity investments.

(All amounts are in Indian rupees unless otherwise stated)

5 Other current assets (current)

	As at 31-Mar-2019	As at 31-Mar-2018
Unsecured and considered good		
Mat Credit	476,667	45,358
Advance paid to vendors	-	528,000
Other Advances	105,000	-
Advance tax and TDS-net	56,162	-
Other current assets	761,440	781,440
Total Other current assets	**1,399,269**	**1,354,798**

6 Inventories (at lower of cost and net realisable value)

	As at 31-Mar-2019	As at 31-Mar-2018
Finished goods	-	711,480
Total inventories at the lower of cost and net realisable value	**-**	**711,480**

7 Cash and Cash Equivalents

	As at 31-Mar-2019	As at 31-Mar-2018
Balances with banks:		
– On current accounts	3,118,771	1,344,118
	3,118,771	**1,344,118**

For the purpose of statement of cashflows, cash and cash equivalents comprise the following:

On current accounts	3,118,771	1,344,118
	3,118,771	**1,344,118**

8 Equity share capital

	As at 31-Mar-2019	As at 31-Mar-2018
Authorised capital		
2,45,000 (March 31,2019: 2,45,000) equity shares of INR 10 each	2,450,000	2,450,000
Increase during the year	-	-
	2,450,000	**2,450,000**
Issued, subscribed and fully paid-up capital		
2,45,000 (March 31,2018: 2,45,000) equity shares of INR 10 each	2,450,000	2,450,000
	2,450,000	**2,450,000**

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

	No of shares	Amount
At April 01, 2017	245,000	2,450,000
Issued during the year	-	-
At March 31, 2018	245,000	2,450,000
Issued during the year	-	-
Number of equity shares outstanding at the end of the year	**245,000**	**2,450,000**

(ii) Term/Rights attached to equity shares

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subjected to the approval of the shareholder in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the assets of the Company, in proportion to the number of equity shares held by the shareholders. Each shareholder is eligible for one vote per share held.

(iii) Details of Shareholders holding more than 5 percent shares in the Company:

	As at 31-Mar-2019		As at 31-Mar-2018	
Name of shareholder	**No. of Shares**	**% against total no of shares**	**No. of Shares**	**% against total no of shares**
Equity shares of Rs.10 each fully paid up held by:				
Khivraj Holdings Private Limited	31,500	12.86%	31,500	12.86%
Bharat Kumar Chordia	34,500	14.08%	34,500	14.08%

9 Other equity

Total current liabilities	As at 31-Mar-2019	As at 31-Mar-2018
General reserve	590,000	590,000
Retained earnings	4,723,464	3,499,189
Other reserves		
FVTOCI reserve	28,052,400	4,339,102
Total other equity	**33,365,864**	**8,428,291**

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Notes to Financial Statements for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

Particulars	Amount
General reserve	
At March 31, 2018	590,000
Add: Amount transferred during the year	-
At March 31, 2019	**590,000**
At March 31, 2018	3,499,189
Add: Profit for the year	1,075,411
Less: Previous year taxes paid	(201,245)
Add: Mat credit adjustment	350,109
At March 31, 2019	**4,723,464**
FVTOCI reserve	
At March 31, 2018	4,339,102
Add: Impact during the year	23,713,298
At March 31, 2019	**28,052,400**

10 Trade Payables

	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables		
Dues to Micro, Small & Medium Enterprises	-	-
Dues to Related Party	-	-
Dues to other than Micro, Small & Medium Enterprises	10,000	61,086
	10,000	**61,086**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-60-days term for domestic vendors and 60 to 90 days term for import vendors.

	#REF!	**#REF!**

11 Provisions

	As at 31-Mar-2019	As at 31-Mar-2018
Short-term provisions		
Provision for Income Tax	-	42,185
Provision for Expenses	45,000	-
Total Provisions	**45,000**	**42,185**

12 Deferred Tax (Asset) / Liability

	As at 31-Mar-2019	As at 31-Mar-2018
On difference between book balance and tax balance of property, plant and equipment	-	-
On fair valuation of investments through OCI	10,654,650	2,321,972
Net Deferred Tax (Asset) / Liability	**10,654,650**	**2,321,972**

13 Other Current Liabilities

	As at 31-Mar-2019	As at 31-Mar-2018
Statutory dues	22,842	74,496
Total Other Current Liabilities	**22,842**	**74,496**

14 Revenue from Operations

	Year ended March 31, 2019	Year ended March 31, 2018
i) Sale of products		
Cars	237,081,340	198,403,210
Clothes	-	18,622
Total	**237,081,340**	**198,421,832**

15 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Other income	127,520	734
	127,520	**734**

16 Purchase of traded goods

	Year ended March 31, 2019	Year ended March 31, 2018
Puchase of products		
-Cars	227,258,160	193,003,980
-Refurbishing charges on cars	1,166,785	740,970
Purchase of products	**228,424,945**	**193,744,950**

17 Changes in inventories of work-in-process and finished goods

	Year ended March 31, 2019	Year ended March 31, 2018
Closing stock		
Finished Goods-Vehicles	-	711,480
	-	**711,480**
Opening stock		
Finished Goods-vehicles	711,480	-
Finished Goods-cloths	-	18,622
	711,480	**18,622**
Increase / (Decrease) in inventories	**-711,480**	**692,858**

18 Employee benefits expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	619,940	240,000
Total	**619,940**	**240,000**

19 Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense	58,425	67,981
Bank charges	3,910	1,534
Total	**62,335**	**69,515**

20 Depreciation and amortization expense

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of tangible assets (Refer Note 3)	5,515	12,372
Total	**5,515**	**12,372**

21 Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Commission	726,500	1,446,182
Books and Perodicals	7,567	-
Conveyance	3,300	-
Discount paid	262,292	-
Delivery expenses	164,525	-
Donation paid	100,000	-
Professional charges	2,654,132	1,140,861
Rent expenses	180,000	141,600
Sitting fees	135,000	115,000
Business promotion	113,680	96,650
Repairs and Maintenance	414,577	-
Rates and taxes	121,467	82,460
Filling Fees	146,207	-
Printing and Stationery	2,425	-
Miscellaneous expenses	166,661	75,100
Security service charges	671,417	-
Insurance paid	25,867	-
Audit fees(Refer note (a) below)	50,000	50,000
Total	**5,945,617**	**3,147,853**

Note (a):	Year ended March 31, 2019	Year ended March 31, 2018
As auditor:		
Statutory Audit fee	50,000	50,000
Total	**50,000**	**50,000**

(All amounts are in Indian rupees unless otherwise stated)

22 Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-19	31-Mar-18
Profit after tax	1,075,411	1,538,549
Weighted average number of shares		
- Basic	245,000	245,000
- Diluted	245,000	245,000
Profit per share of Rs.10 each		
- Basic	4.39	6.28
- Diluted	4.39	6.28

23 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(All amounts are in Indian rupees unless otherwise stated)

24 Related Party Transactions

As per Ind AS (AS-18) on related party disclosures issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related party as detailed in the Accounting Standard are given below:

a. Name of the related parties

Associate	Navaratan Property Holdings Private limited
Key management personnel	
	Bharat Kumar Chordia - Whole time Director
	R. Manoranjan - Company Secretary
	Vijay Prasath - Chief Financial Officer
Other Directors:	V. Rajamanickam - Director
	Prassan Kumari Chordia - Director
	Rahul Baid - Director
	Lakshmi Narayanan Ananthakrishnan - Director

b. Transactions with related parties

Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related party disclosures has significant influence over the entities -

	Name of the related party	31-Mar-19	31-Mar-18
1	Khivraj Motors Private Limited		
	Transactions during the year		
	Sale of clothes	-	18,622
	Sale of cars	159,187,880	191,774,850
	Interest received	-	-
	Closing balance	-	-
2	Khivraj Vahan Private Limited		
	Transactions during the year		
	Purchase of cars	74,533,320	37,620,980
	Closing balance	-	-
	Total current liabilities	-	-
3	Bharat Kumar Chordia		
	Transactions during the year		
	Deposit received	-	100,000
	Deposit Paid	-	100,000
	Loan received	-	5,700,000
	Loan Repaid	-	5,700,000
	Interest paid	-	67,981
	Rent paid	180,000	141,600
	Closing balance	-	-

25 Segment Information

The Company primarily operates in the automotive segment. The automotive segment includes all activities related to development, design and manufacture of products. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 "Operating Segments".

26 Financial risk management objectives and policies

The Company's principal financial liabilities, include trade and other payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company currently does not hedge or use derivative financial instruments to mitigate foreign exchange related risk exposures. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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 is not exposed to any of the foreign currency risk since it does not have any foreign currency transactions.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a customer contract, leading to a financial loss. The Company's exposure to credit risk is limited to its operating activities with respect to specified markets (primarily for trade receivables), where the Company sells their products on credit.

The Company evaluates the concentration of risk with respect to trade receivables as low, as the Company has limited set of customers in local jurisdiction.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy duedeligence by the managment.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure funds are available for use as per requirements. The Company monitors its risk to a shortage of funds using its forecasts. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

The Company's prime source of liquidity is cash and cash equivalents. The Company invests its surplus funds in bank & fixed deposit and in equity of other companies(Quoted and Unquoted) which carry minimal mark to market risks.

(All amounts are in Indian rupees unless otherwise stated)

27 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and other equity reserves attributable to the equity holders . The primary objective of the Company's capital management is to maximise the shareholder value. In the event that the Company requires additional capital, monies would be infused by the shareholders to provide appropriate financial support to the Company.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and short-term deposits. Capital includes equity attributable to the owners of the Company less the fair value adjustment reserve. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Capital includes debt and equity items as disclosed in the table below

	31-Mar-19	31-Mar-18	31-Mar-17
Borrowings	-	-	-
Less: cash and cash equivalents	(3,118,771)	(1,344,118)	-
Net debt	-	-	-
Equity	35,815,864	10,878,291	-
Capital and net debt	**35,815,864**	**10,878,291**	**-**
Gearing ratio	NA	NA	NA

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

28 IndAS Notes

A. Investments carried at fair value through OCI

Under Indian GAAP, the Company has been carrying the investments in equity instruments at cost value only. Under Ind AS, the Company has valued these shares at fair value. The difference between fair value and carrying amount under Indian GAAP has been recognised in OCI

B. Deferred tax

Indian GAAP requires deferred tax accounting using 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 Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is Rs. 23,21,972/-

C. Statement of Cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

29 Standards issued but not yet effective

Ministry of Corporate Affairs("MCA") through has notified the following new and amendments to Ind AS which the

.New Ind AS 116 " Leases"

.Amendments to Ind AS 12 " Income Taxes"

.Amendments to Ind AS 19 " Employee Benefits"

The Company is in process of evaluation of the possible impact of New Ind AS 116, amended Ind AS 12 and amended Ind AS 19. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

30 Events after the reporting period

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

31 Previous years figures

Previous year's figures have been regrouped and reclassified where necessary to conform to this year's classification.

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm Registration Number: 002908C

For and on Behalf of the Board of Directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Chennai
Date: May 24th,2019

Bharat Kumar Chordia
Whole time Director
(DIN:00049455)

V. Rajamanickam
Director
(DIN:00049594)

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Independent Auditors' Report

To,
The Members of
Castle traders Ltd.

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Castle traders Ltd.**("the Company") and its associate Company (the Company and its associates referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the accounting principles generally accepted in India of the state of affair of the Group as at 31st March, 2019, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued there under.

The respective Board of Directors of the companies/entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors of the Company's either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions , misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Companies Act, 2013 , we are also responsible for expressing our opinion on whether the Group 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of Company and such other entities included in the consolidated financial statements of which we are independent auditors 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 consolidated 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.

Other Matters

We did not audit the financial statements of the associate company, whose financial statements reflect total assets of Rs.31,99,07,640/- as at 31st March 2019, total revenues of Rs. 9,01,25,709/- and net cash Flows amounting to 98,66,327/- for the year ended, as considered in the consolidated financial statements. These financial statements or financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this associate company and our report in terms of Section 143 (3) of the Companies Act, 2013, in so far as it relates to the aforesaid associate company is based solely on such unaudited financial statements or financial information.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Companies Act, 2013, 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and as per information furnished by the management in respect of associate company none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   No remuneration was paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There was no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place:- Udaipur
Date:- 24.05.2019

Arun Sarupria – Partner
M. No. 078398

Annexure 'A' to the Auditors' Report

Report on Internal Financial Controls over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Castle traders Ltd.("the Company") and its subsidiaries, its associates and jointly controlled entities, (the Company, its subsidiaries, its associates and jointly controlled entities referred to as "the Group") as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Companies 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 the respective 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 Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the associate company is based on Management Representation as this was not audited.

Our opinion on an adequate internal financial controls system over financial reporting, is not modified in respect of the above matters.

For S.C. Ajmera & Co.
Chartered Accountants
FRN: 002908C

Place:- Udaipur
Date:- 24.05.2019

Arun Sarupria -Partner
M. No. 078398

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Consolidated Balance sheet as at March 31, 2019

(All amounts are in Indian rupees unless otherwise stated)

Particulars	Notes	As at 31-Mar-2019	As at 31-Mar-2018
Assets			
Non-current assets			
Property, plant and equipment	3	17,685	-
Financial assets			
Investments	4	125,405,759	91,186,358
Total non-current assets		**125,423,444**	**91,186,358**
Current assets			
Inventories	6	-	711,480
Financial assets			
Cash and cash equivalents	7	3,118,770	1,344,118
Other current assets	5	1,399,269	1,354,798
Total current assets		**4,518,039**	**3,410,396**
Total Assets		**129,941,484**	**94,596,754**
Equity and Liabilities			
Equity			
Equity share capital	8	2,450,000	2,450,000
Other equity	9	116,758,991	89,647,015
Total equity		**119,208,991**	**92,097,015**
Non-current liabilities			
Deferred tax liabilities (net)	12	10,654,650	2,321,972
Total non-current liabilities		**10,654,650**	**2,321,972**
Current liabilities			
Financial liabilities			
Trade payables	10	10,000	61,086
Provisions	12	45,000	42,185
Other current liabilities	13	22,842	74,496
Total current liabilities		**77,842**	**177,767**
Total liabilities		**10,732,492**	**2,499,739**
Total Equity and Liabilities		**129,941,484**	**94,596,754**

Consolidated Statement on Significant Accounting Policies and Notes to the Financial Statements are an integral part of the financial statements.

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm registration number: 002908C

For and on behalf of the board of directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: 24-05-2019

Bharat Kumar Chordia
Whole time Director
DIN:00049455

V. Rajamanickam
Director
DIN:00049594

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company
Secretary

Consolidated Statement of profit and loss for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

Particulars	Notes	Year ended 31-Mar-2019	Year ended 31-Mar-2018
Income			
Revenue from operations	14	237,081,340	198,421,832
Other income	15	127,520	734
Total Income		**237,208,860**	**198,422,566**
Expenses			
Purchase of traded goods	16	228,424,945	193,744,950
(Increase)/Decrease in inventories of finished goods	17	711,480	-692,858
Employee benefits expense	18	619,940	240,000
Finance costs	19	62,335	69,515
Depreciation and amortization expense	20	5,515	12,372
Other expenses	21	5,945,617	3,147,853
Total expense		**235,769,832**	**196,521,832**
Profit before tax		**1,439,028**	**1,900,734**
Current tax		443,838	362,185
Mat credit		-81,200	-
Deferred tax		979	-
Income tax expense		**363,617**	**362,185**
Profit for the year (I)		**1,075,411**	**1,538,549**
Add: Share of profit/(loss) from Associate for the year		2,174,403	(3,140,888)
Profit for the year after share of profit from associate (I)		**3,249,815**	**(1,602,339)**
Other comprehensive income:			
(i) Other comprehensive income not to be reclassified to			
Gain / (loss) on FVOCI equity securities (Net)		32,044,997	(188,614)
Deferred tax		(8,331,699)	48,568
		23,713,298	(140,046)
(ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Other comprehensive profit for the year, net of tax (II)		**23,713,298**	**(140,046)**
Total comprehensive income for the year, net of tax (I + II)		**26,963,112**	**(1,742,385)**
Earnings per equity share of INR 10 each	22		
Basic & Diluted		13.26	(6.54)
Nominal value per equity share (Rs)		10.00	10.00

Consolidated Statement on Significant Accounting Policies and Notes to the Financial Statements are an integral part of the financial statements.

As per our report of even date
For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm registration number: 002908C

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: 24-05-2019

For and on behalf of the board of directors of Castle Traders Limited

Bharat Kumar Chordia
Whole time Director
DIN:00049455

V. Rajamanickam
Director
DIN:00049594

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Consolidated Cash flow statement for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

Particulars		Year ended31-Mar-2019	Year ended31-Mar-2018
Cash flow from operating activities			
Net Profit/(loss) before tax and extraordinary items		1,439,028	1,900,734
Adjustments for:			
Change in Reserve		148,864	-
Depreciation		5,515	12,372
Dividend income		-	-734
Finance costs		62,335	69,515
Cash flows before working capital changes		**1,655,742**	**1,981,887**
Adjustments for:			
Other non current assets		-	-511,604
Other current assets		-44,471	480,000
Inventories		711,480	-692,858
Provisions		2,815	42,185
Other current liabilities		-51,654	74,496
Trade payables		-51,086	39,928
Cash flows from operating activities		2,222,826	1,414,034
Direct taxes paid (net)		-362,638	-362,185
Net cash flows from operating activities	**A**	**1,860,188**	**1,051,849**
Cash flow used in investing activities			
Purchase of Fixed Assets		-23,200	
Dividend received		-	734
Net cash used in investing activities	**B**	**-23,200**	**734**
Cash flow from financing activities			
Interest paid		-62,335	-69,515
Net cash from financing activities	**C**	**-62,335**	**-69,515**
Net decrease in cash and cash equivalents	**(A+B+C)**	**1,774,653**	**983,068**
Opening balance of cash and cash equivalents	D	1,344,118	361,050
Closing balance of cash and cash equivalents	E	3,118,770	1,344,118
Net decrease in cash and cash equivalents	**(E-D)**	**1,774,652**	**983,068**

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm registration number: 002908C

For and on behalf of the board of directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: 24-05-2019

Bharat Kumar Chordia
Whole Time Director
DIN:00049455

V. Rajamanickam
Director
DIN:00049594

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

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Consolidated Statement of changes in equity for the year ended March 31, 2019
(All amounts are in Indian rupees unless otherwise stated)

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	Number of shares	Amount
As at March 31, 2018	**245,000**	**2,450,000**
Issue of share capital during the period ended March 31, 2019	-	-
As at March 31, 2019	**245,000**	**2,450,000**

b. Other equity

Particulars	Reserves & Surplus				Total Other Equity
	General Reserve	Retained earnings	FVTOCI RESERVE	CAPITAL RESERVE	
As at March 31, 2018	**590,000**	**952,874**	**4,339,102**	**83,765,039**	**89,647,015**
Profit for the year	-	3,249,815	23,713,298	-	**26,963,112**
Previous year taxes paid		(201,245)		-	**(201,245)**
MAT Credit Adjustment		350,109			**350,109**
As at 31-Mar-2019	**590,000**	**4,351,553**	**28,052,400**	**83,765,039**	**116,758,991**

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm registration number: 002908C

For and on behalf of the board of directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Udaipur
Date: 24-05-2019

Bharat Kumar Chordia
Whole time Director
DIN:00049455

V. Rajamanickam
Director
DIN:00049594

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

1. Corporate Information

Castle Traders Limited and Navratan properties Private Limited-Associate ("the Group") was incorporated in the year 1983. The Group is a public limited Group domiciled in India and has its listing on MSE Limited in India. The registered office of the Group is located in Chennai.

The Group is engaged in the business of trading goods, shares and securities.

2. Summary of significant accounting policies

2.1 Statement of compliance

The Consolidated Financial statements have been prepared in accordance with Ind AS notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017, the Group prepared its Consolidated Financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are Group's first Ind AS Consolidated Financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 29 for the details of first-time adoption exemptions availed by the Group.

The figures are presented in INR (Indian Rupees), unless otherwise stated.

2.2 Basis of Preparation

The Consolidated Financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2017, the Group prepared its Consolidated Financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies Accounting Standard (Amendment) Rules, 2016 (Indian GAAP). These Consolidated Financial statements for the year ended March 31, 2018 are the first the Group has prepared in accordance with Ind AS.

Refer to note 29 for information on how the Group adopted Ind AS.

The Consolidated Financial statements have been prepared on a historical cost basis, except for certain Consolidated Financial assets and liabilities measured at fair value (refer accounting policy regarding Consolidated Financial instruments).

Principles of Consolidation:
The results and assets and liabilities of associates are incorporated in the consolidated Consolidated Financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised at cost and adjusted thereafter to recognise the group's share of post-acquisition profits or losses and that of other comprehensive income of the associate or joint venture.Distributions received from an associate or joint venture reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the group and the associate are eliminated to the extent of the interest in the joint venture

After application of the equity method, at each reporting date, the group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there exists such evidence, the group determines the extent of impairment and then recognises the loss in the statement of Profit and loss.

Upon the loss of significant influence over the associate or joint control over the joint venture. the group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or the joint venture and the fair value of the retained investment and proceeds from disposal is recognised in profit and loss.

The list of Companies included in Consolidation relationship with the company and shareholding therein as under.
The reporting date of the entity is 31st March 2018 except specified.

1. Navaratan Properties Private Limited-Associate-34.71% shares held by Castle Traders Limited.

The Consolidated Financial statements or Consolidated Financial information taken for consolidation during the year are unaudited for the above associate.

2.3 Summary of Significant Accounting Policies

a.Current versus non-current classification

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

-Expected to be realised or intended to be sold or consumed in normal operating cycle;

-Held primarily for the purpose of trading;

-Expected to be realised within twelve months after the reporting period; or

-Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

-It is expected to be settled in normal operating cycle;

-It is held primarily for the purpose of trading;

-It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Fair Value Measurement

The Group measures Consolidated Financial instrument, such as, derivatives at fair value as at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

> Level 1- Quoted (unadjusted) market price in active markets for identical assets or liabilities.

> Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

> Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Consolidated Financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as investments and deposits measured at fair value, and for non-recurring measurement.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes to the Consolidated Financial statements.

c.Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i. Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods and collectability of resulting receivable. The Group generally recognises revenue on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to such extent.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "Finance Income" in the statement of profit and loss.

iii. Dividend

Dividend income is recognised when the right to receive the dividend is established

iv. Profit on sale of investments

Profit on sale of investment is recognised only at the time when the investments are realised.

d. Foreign currency transactions and balances

Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Measurement as at Balance Sheet date

Foreign currency monetary items of the Group outstanding at the Balance Sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of Exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the statement of profit and loss.

e. Inventories

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

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

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

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

Inventories are written down for obsolete/slow moving/non-moving items wherever necessary.

f. Provisions and contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of amounts required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Group or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Consolidated Financial statements.

h. Taxes

<u>Current Income tax</u>

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

<u>Deferred Tax</u>

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

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

When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

j.Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation on fixed assets is calculated on a written down value method ("WDV") over the useful life of the assets. Useful life as provided under schedule II of the Companies Act 2013 is considered. Residual value for all assets is considered at 5% of original cost.

Assets costing rupees five thousand or less are fully depreciated in the year of acquisition.

<u>Impairment of tangible and intangible assets carried at cost</u>

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash-generating units (CGU) recoverable value and its value in use. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending only for change in assumptions or internal/external factors. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. In respect of agreements entered into by the Group before the date of transition to Ind AS, the Group has evaluated the transaction based on facts and conditions as at the transition date.

<u>Group as a lessee</u>

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group' general policy on the borrowing costs.

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

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

p. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

q. Consolidated Financial instruments

A Consolidated Financial instrument is any contract that gives rise to a Consolidated Financial asset of one entity and a Consolidated Financial liability or equity instrument of another entity.

<u>Consolidated Financial assets</u>

<u>Initial recognition and measurement</u>

All Consolidated Financial assets are recognised initially at fair value plus, in the case of Consolidated Financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Consolidated Financial asset. Purchases or sales of Consolidated Financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

<u>Subsequent measurement</u>

For purposes of subsequent measurement, Consolidated Financial assets are classified in four categories:

► Debt instruments at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

<u>Equity investments</u>

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Groupdecides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De recognition

A Consolidated Financial asset (or, where applicable, a part of a Consolidated Financial asset or part of a group of similar Consolidated Financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Grouphas transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of Consolidated Financial assets

In accordance with Ind AS 109, the Groupapplies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following Consolidated Financial assets and credit risk exposure:

a) Consolidated Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables

The Groupfollows 'simplified approach' for recognition of impairment loss allowance on:

► Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the Groupin accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

► All contractual terms of the Consolidated Financial instrument (including prepayment, extension, call and similar options) over the expected life of the Consolidated Financial instrument. However, in rare cases when the expected life of the Consolidated Financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the Consolidated Financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head ‘other expenses’ in the P&L. The balance sheet presentation for various Consolidated Financial instruments is described below:

► Consolidated Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

► Loan commitments and Consolidated Financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the ‘accumulated impairment amount”

For assessing increase in credit risk and impairment loss, the group combines Consolidated Financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Consolidated Financial liabilities

Initial recognition and measurement

Consolidated Financial liabilities are classified, at initial recognition, as Consolidated Financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All Consolidated Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s Consolidated Financial liabilities include trade and other payables.

Subsequent measurement

The measurement of Consolidated Financial liabilities depends on their classification, as described below:
Consolidated Financial liabilities at fair value through profit or loss
Consolidated Financial liabilities at fair value through profit or loss include Consolidated Financial liabilities held for trading and Consolidated Financial liabilities designated upon initial recognition as at fair value

through profit or loss. Consolidated Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative Consolidated Financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Consolidated Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any Consolidated Financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Consolidated Financial guarantee contracts

Consolidated Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Consolidated Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

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

(All amounts are in Indian rupees unless otherwise stated)

3 Property Plant & Equipment

Particulars	Buildings	Vehicles	Computer	Total Property Plant & Equipment
As at 31-Mar-2018	**13,220**	**193**	**-**	**13,413**
Additions	-	-	23,200	23200
Disposals	-	-	-	-
As at 31-Mar-2019	**13,220**	**193**	**23,200**	**36,613**
Depreciation/Amortization				
Charge for the year	13,220	193	-	13,413
Disposals	-	-	-	-
As at 31-Mar-2018	**13,220**	**193**	**-**	**13,413**
Charge for the year*	-	-	5,515	5,515
Disposals	-	-	-	-
As at 31-Mar-2019	**13,220**	**193**	**5,515**	**18,928**
Net Block				
As at 31-Mar-2018	**-**	**-**	**-**	**-**
As at 31-Mar-2019	**-**	**-**	**17,685**	**17,685**

(All amounts are in Indian rupees unless otherwise stated)

4	As at 31-Mar-2019	As at 31-Mar-2018
Investments		
Investments at fair value through OCI (fully paid)		
Investment in non-group companies		
Quoted shares	3,800,000	3,325,000
Investment in group companies		
Unquoted shares	121,605,759	87,861,358
Total investments at cost	**125,405,759**	**91,186,358**
Aggregate market value Quoted of Investments	3,800,000	3,325,000

	As at 31-Mar-2019	As at 31-Mar-2018
Investment in quoted shares		
Arihant Securites Limited		
No of shares	475,000	475,000
Value	3,800,000	3,325,000
Aggregate amount of investment in quoted shares	**3,800,000**	**3,325,000**
Investment in unquoted shares		
Navratan Property Holdings Private limited(Associate)		
No of shares	8,390,250	8,390,250
Value	847,500	847,500
Share of Capital reserve	80,624,151	83,765,039
Share of profit/(loss) for the earlier years-34.71%	594,573	594,573
Share of profit/(loss) for the current year-34.71%	2,174,403	-3,140,888
Carrying amount of investment	84,240,627	82,066,224
Ultraplus Housing Estates Private limited		
No of shares	57,900	57,900
Value	37,188,868	5,618,871
Olympia Merlin Developers Private Limited		
No of shares	125,000	125,000
Value	176,263	176,263
Aggregate amount of investment in unquoted shares	**121,605,759**	**87,861,358**
Total investments carried at FVOCI	**125,405,759**	**91,186,358**

Investment in fair value through OCI (fully paid) reflect investment in quoted and unquoted equity investments.

(All amounts are in Indian rupees unless otherwise stated)

5 **Other current assets (current)**	**As at 31-Mar-2019**	**As at 31-Mar-2018**
Unsecured and considered good		
Mat Credit	476,667	45,358
Advance paid to vendors	-	528,000
Other Advances	105,000	-
Advance tax and TDS-net	56,162	-
Other current assets	761,440	781,440
Total Other current assets	**1,399,269**	**1,354,798**

6 **Inventories (at lower of cost and net realisable value)**

	As at 31-Mar-2019	**As at 31-Mar-2018**
Finished goods	-	711,480
Total inventories at the lower of cost and net realisable value	**-**	**711,480**

7 **Cash and Cash Equivalents**

	As at 31-Mar-2019	**As at 31-Mar-2018**
Balances with banks:		
– On current accounts	3,118,771	1,344,118
	3,118,771	**1,344,118**

For the purpose of statement of cashflows, cash and cash equivalents comprise the following:

On current accounts	3,118,771	1,344,118
	3,118,771	**1,344,118**

8 Equity share capital

	As at 31-Mar-2019	As at 31-Mar-2018
Authorised capital		
2,45,000 (March 31,2019: 2,45,000) equity shares of INR 10 each	2,450,000	2,450,000
Increase during the year	-	-
	2,450,000	**2,450,000**
Issued, subscribed and fully paid-up capital		
2,45,000 (March 31,2018: 2,45,000) equity shares of INR 10 each	2,450,000	2,450,000
	2,450,000	**2,450,000**

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

	No of shares	Amount
At April 01, 2017	245,000	2,450,000
Issued during the year	-	-
At March 31, 2018	245,000	2,450,000
Issued during the year	-	-
Number of equity shares outstanding at the end of the year	**245,000**	**2,450,000**

(ii) Term/Rights attached to equity shares

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subjected to the approval of the shareholder in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the assets of the Company, in proportion to the number of equity shares held by the shareholders. Each shareholder is eligible for one vote per share held.

(iii) Details of Shareholders holding more than 5 percent shares in the Company:

	As at 31-Mar-2019		As at 31-Mar-2018	
Name of shareholder	**No. of Shares**	**% against total no of shares**	**No. of Shares**	**% against total no of shares**
Equity shares of Rs.10 each fully paid up held by:				
Khivraj Holdings Private Limited	31,500	12.86%	31,500	12.86%
Bharat Kumar Chordia	34,500	14.08%	34,500	14.08%

9 Other equity

	As at 31-Mar-2019	As at 31-Mar-2018
General reserve	590,000	590,000
Retained earnings	4,351,553	952,874
Capital reserve on account of shareholding in associate	83,765,039	83,765,039
Other reserves		
FVTOCI reserve	28,052,400	4,339,102
Total other equity	**116,758,991**	**89,647,015**

(All amounts are in Indian rupees unless otherwise stated)

Particulars	Amount
General reserve	
At March 31, 2018	590,000
Add: Amount transferred during the year	-
At March 31, 2019	**590,000**
Retained earnings	
At March 31, 2018	952,874
Add: Profit for the year	3,249,815
Less: Previous year taxes paid	(201,245)
Add: Mat credit adjustment	350,109
At March 31, 2019	**4,351,553**
FVTOCI reserve	
At March 31, 2018	4,339,102
Add: Impact during the year	23,713,298
At March 31, 2019	**28,052,400**
Capital reserve	
At March 31, 2018	83,765,039
Add: Impact during the year	-
At March 31, 2019	**83,765,039**

10 Trade Payables

	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables		
Dues to Micro, Small & Medium Enterprises	-	-
Dues to Related Party	-	-
Dues to other than Micro, Small & Medium Enterprises	10,000	61,086
	10,000	**61,086**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-60-days term for domestic vendors and 60 to 90 days term for import vendors.

11 Provisions

	As at 31-Mar-2019	As at 31-Mar-2018
Short-term provisions		
Provision for Income Tax	-	42,185
Provision for Expenses	45,000	-
Total Provisions	**45,000**	**42,185**

12 Deferred Tax (Asset) / Liability

	As at 31-Mar-2019	As at 31-Mar-2018
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of property, plant and equipment	-	-
On fair valuation of investments through OCI	10,654,650	2,321,972
Net Deferred Tax (Asset) / Liability	**10,654,650**	**2,321,972**

13 Other Current Liabilities	As at 31-Mar-2019	As at 31-Mar-2018
Statutory dues	22,842	74,496
Total Other Current Liabilities	**22,842**	**74,496**

14 Revenue from Operations

	Year ended March 31, 2019	Year ended March 31, 2018
i) Sale of products		
Cars	237,081,340	198,403,210
Clothes	-	18,622
Total	**237,081,340**	**198,421,832**

15 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Other income	127,520	734
	127,520	**734**

16 Purchase of traded goods

	Year ended March 31, 2019	Year ended March 31, 2018
Puchase of products		
-Cars	227,258,160	193,003,980
-Refurbishing charges on cars	1,166,785	740,970
Purchase of products	**228,424,945**	**193,744,950**

17 Changes in inventories of work-in-process and finished goods

	Year ended March 31, 2019	Year ended March 31, 2018
Closing stock		
Finished Goods-Vehicles	-	711,480
	-	**711,480**
Opening stock		
Finished Goods-vehicles	711,480	-
Finished Goods-cloths		18,622
	711,480	**18,622**
Increase / (Decrease) in inventories	**-711,480**	**692,858**

18 Employee benefits expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	619,940	240,000
Total	**619,940**	**240,000**

19 Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense	58,425	67,981
Bank charges	3,910	1,534
Total	**62,335**	**69,515**

20 Depreciation and amortization expense

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of tangible assets (Refer Note 3)	5,515	12,372
Total	**5,515**	**12,372**

21 Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Commission	726,500	1,446,182
Books and Perodicals	7,567	-
Conveyance	3,300	-
Discount paid	262,292	-
Delivery expenses	164,525	-
Donation paid	100,000	-
Professional charges	2,654,132	1,140,861
Rent expenses	180,000	141,600
Sitting fees	135,000	115,000
Business promotion	113,680	96,650
Repairs and Maintenance	414,577	-
Rates and taxes	121,467	82,460
Filling Fees	146,207	-
Printing and Stationery	2,425	-
Miscellaneous expenses	166,661	75,100
Security service charges	671,417	-
Insurance paid	25,867	-
Audit fees(Refer note (a) below)	50,000	50,000
Total	**5,945,617**	**3,147,853**

	Year ended March 31, 2019	Year ended March 31, 2018
Note (a):		
As auditor:		
Audit fee	50,000	50,000
Total	**50,000**	**50,000**

(All amounts are in Indian rupees unless otherwise stated)

22 Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-19	31-Mar-18
Profit after tax	1,075,411	1,538,549
Weighted average number of shares		
- Basic	245,000	245,000
- Diluted	245,000	245,000
Profit per share of Rs.10 each		
- Basic	4.39	6.28
- Diluted	4.39	6.28

23 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group’s accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(All amounts are in Indian rupees unless otherwise stated)

24 Related Party Transactions

As per Ind AS (AS-18) on related party disclosures issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related party as detailed in the Accounting Standard are given below:

a. Name of the related parties

Associate	Navratan Property Holdings Private limited
Key management personnel	Bharat Kumar Chordia - Whole time Director R.Manoranjan - Company Secretary Vijay Prasath - Chief Financial Officer
Other Directors:	V.Rajamanickam - Director Prassan Kumari Chordia - Director Rahul Baid - Director Lakshmi Narayanan Ananthakrishnan - Director

b. Transactions with related parties

Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related party disclosures has significant influence over the entities -

	Name of the related party	31-Mar-19	31-Mar-18
1	Khivraj Motors Private Limited		
	Transactions during the year		
	Sale of clothes	-	18,622
	Sale of cars	159,187,880	191,774,850
	Interest received		-
	Closing balance	-	-
2	Khivraj Vahan Private Limited		
	Transactions during the year		
	Purchase of cars	74,533,320	37,620,980
	Closing balance	-	-
3	Bharat Kumar Chordia		
	Transactions during the year		
	Deposit received	-	100,000
	Deposit Paid	-	100,000
	Loan received	-	5,700,000
	Loan Repaid	-	5,700,000
	Interest paid	-	67,981
	Rent paid	180,000	141,600
	Closing balance	-	-

25 Segment Information

The Group primarily operates in the automotive segment. The automotive segment includes all activities related to development, design and manufacture of products. The board of directors of the Group, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore, there is no reportable segment for the Group as per the requirement of IND AS 108 “Operating Segments”.

26 Financial risk management objectives and policies

The Group's principal financial liabilities, include trade and other payables. The Group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group’s senior management oversees the management of these risks. The Group’s senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group currently does not hedge or use derivative financial instruments to mitigate foreign exchange related risk exposures. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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 Group is not exposed to any of the foreign currency risk since it does not have any foreign currency transactions.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a customer contract, leading to a financial loss. The Group's exposure to credit risk is limited to its operating activities with respect to specified markets (primarily for trade receivables), where the Group sells their products on credit.

The Group evaluates the concentration of risk with respect to trade receivables as low, as the Group has limited set of customers in local jurisdiction.

Credit risk from balances with banks is managed by the Group’s treasury department in accordance with the Group’s policy duedeligence by the managment.

The Group’s maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts.

Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure funds are available for use as per requirements. The Group monitors its risk to a shortage of funds using its forecasts. The table below summarizes the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments.

The Group's prime source of liquidity is cash and cash equivalents. The Group invests its surplus funds in bank & fixed deposit and in equity of other companies(Quoted and Unquoted) which carry minimal mark to market risks.

(All amounts are in Indian rupees unless otherwise stated)

27 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and other equity reserves attributable to the equity holders . The primary objective of the Group's capital management is to maximise the shareholder value. In the event that the Group requires additional capital, monies would be infused by the shareholders to provide appropriate financial support to the Group.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, borrowings, trade and other payables, less cash and short-term deposits. Capital includes equity attributable to the owners of the Group less the fair value adjustment reserve. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Capital includes debt and equity items as disclosed in the table below

	31-Mar-19	31-Mar-18	31-Mar-17
Borrowings	-	-	-
Less: cash and cash equivalents	(3,118,770)	(1,344,118)	-
Net debt	**-**	**-**	**-**
Equity	119,208,991	92,097,015	-
Capital and net debt	**119,208,991**	**92,097,015**	**-**
Gearing ratio	NA	NA	NA

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

28 IndAS Notes

A. Investments carried at fair value through OCI

Under Indian GAAP, the Company has been carrying the investments in equity instruments at cost value only. Under Ind AS, the Company has valued these shares at fair value. The difference between fair value and carrying amount under Indian GAAP has been recognised in OCI. The Company uses Audited Balance Sheet as on 31st March, 2018 of the Invested Companies for purpose of Fair Valuation and Computation of fair value through OCI.

B. Deferred tax

Indian GAAP requires deferred tax accounting using 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 Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is Rs. 23,21,972/-

29 Standards issued but not yet effective

Ministry of Corporate Affairs (" MCA") through has notified the following new and amendments to Ind AS which the

.New Ind AS 116 "Leases"

.Amendments to Ind AS 12 " Income Taxes"
.Amendments to Ind AS 19 " Employee Benefits"

The Company is in process of evaluation of the possible impact of New Ind AS 116, amended Ind AS 12 and amended Ind AS 19. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its new income on an ongoing basis.

30 Previous years figures

Previous year's figures have been regrouped and reclassified where necessary to confirm to this year's classification.

As per our report of even date

For S.C.AJMERA & Co
Chartered Accountants
ICAI Firm registration number: 002908C

For and on behalf of the board of directors of
Castle Traders Limited

Arun Sarupria
Partner
Membership no.: 078398
Place: Chennai
Date: 24-05-2019

Bharat Kumar Chordia
Whole time Director
DIN:00049455

V. Rajamanickam
Director
DIN:00049594

Vijay Prasath
Chief Financial Officer

R.Manoranjan
Company Secretary

Name of the company : **CASTLE TRADERS LIMITED**
CIN : L51909TN1983PLC045632
Registered office Address: : No.617, Anna Salai, Chennai 600 006.

Attendance Slip

(please complete this slip and hand it over at the entrance of the hall)

I hereby accord my presence at the 36th Annual General Meeting at the registered office of the Company on **Monday, 16th September, 2019 at 2.30 p.m.** at No.617, New No.418, 'Bharat Kumar Bhavan', Anna Salai, Chennai – 600 006.

Folio No.:

Name of the Shareholder:

No. of Shares held:

Name of Authorized Representative:

Signature of shareholder/ Representative

Proxy form

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

Name of the company: **CASTLE TRADERS LIMITED**
CIN :L51909TN1983PLC045632
Registered Office Address: No.617, 'Bharat Kumar Bhavan', Anna Salai, Chennai 600006
Name of the member (s):
Registered address:

I/We, being the member (s) holding .... share of the above-named company, hereby appoint
1. Name:
Address:
E-mail Id:
Signature:…………….,

as my/our proxy to attend and vote (on a poll) for me/ us and on our behalf at the Annual General Meeting of the company, to be held on **Monday, the 16th September 2019 at 2.30 p.m.** at the registered office of the Company at No.617,
,'Bharat Kumar Bhavan', Anna Salai, Chennai – 600 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

I/we wish my above proxy (ies) to vote in the manner as indicated in the box below:-

No.	Description	For	Against
1.	To consider and adopt the Audited Financial Statements (including consolidated financial statements) of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in the place of Ms.Prassan Kumari Chordia (DIN:01955334) who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and, being eligible, seeks reappointment.		
3.	To appoint M/s. S.C. Ajmera & Co, Chartered Accountants, (ICAI Firm Registration No.002908C) as the Statutory Auditors of the Company and to fix their remuneration.		
4.	To consider and approve the Remuneration Payable to Whole time Director of the Company.		

Signed this…… day of 2019
Signature of shareholder
Revenue
Stamp
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route map:-

Prominent landmark: - Anna Salai KTM – Opp. to American Embassy