

ATUL FIN RESOURCES LIMITED

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Fin Resources Ltd together with the audited Financial Statements for the year ended March 31, 2020.

01. Financial results

	2019-20	2018-19
Revenue from operations	52,96,405	15,81,597
Other income	12,500	-
Total revenue	53,08,905	15,81,597
Profit before tax	52,12,941	11,407
Tax	12,89,673	15,70,190
Profit for the year	39,23,268	3,84,834

02. Performance

During 2019-20 the Company has started its operations and generated operating income of ₹ 0.53 cr mainly from bill discounting and investments.. The Company has made net profit of ₹ 0.39 cr.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2020.

04. Prospects and Developments

The Company has commenced its operations during first quarter of 2019-2020. Endeavor of the Company is to expand its client base in bill discounting and loan business.

05. Products

The product portfolio consists of four main categories: i) Bill discounting ii) business loan iii) personal loan and iv) loan against property.

06. Ratings

The Company is not required to obtain credit rating at present, therefore no credit rating is obtained.

07. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms a part of this Report which is given as Annexure.

08. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and building), plant, equipment, other assets and third parties.

09. Risk Management

The Company has identified risks and has initiated a mitigation plan for the same.

10. Internal Financial Controls

The Management assessed the effectiveness of the Internal Financial Controls over financial reporting as of March 31, 2020, and the Board believes that the controls are adequate.

11. Fixed deposits

During 2019-20, the Company did not accept any fixed deposits. The company has not accepted any deposits during the year under review. The Board has passed a resolution for non-acceptance of deposit from public.

12. Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2019-20.

13. Loans, guarantees, investments and security

Since the Company is a Non-Banking Financial Company registered with the RBI, the disclosures pertaining to Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are not applicable.

14. Subsidiary, associate and joint venture company

The Company does not have subsidiary, associate or joint venture company.

- 15. Related Party Transactions**
All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 15. No transactions were entered into by the Company which required disclosure in Form AOC-2.
- 16. Corporate Social Responsibility**
The provision of section 135 of the Companies Act, 2013 are not applicable to the Company.
- 17. Extract of the Annual Return**
This is given as Annexure.
- 18. Auditors**
GR Parekh & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 2nd Annual General Meeting (AGM) until the conclusion of the 7th AGM. The relevant Notes forming part of the accounts are self-explanatory and give full information and explanation in respect of the observations made by the Auditors in their report.
- 19. Directors' responsibility statement**
Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:
- 19.1 The applicable Accounting Standards were followed along with proper explanations relating to material departures in the preparation of the annual accounts.
- 19.2 The Accounting Policies were selected and applied consistently and judgements and estimates were made that were 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 year and of the profit and loss of the Company for that period.
- 19.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 19.4 The attached annual accounts for the year ended March 31, 2020 were prepared on a going concern basis.
- 19.5 Adequate Internal Financial Controls to be followed by the Company were laid down; and same were adequate and operating effectively.
- 19.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.
- 20. Directors**
- 20.1 Appointments | Reappointments | Cessations
20.1.1 According to the Articles of Association of the Company, Mr Lalit Patni retires by rotation and being eligible offers himself for reappointment at the forthcoming AGM.
- 20.2 Policies on appointment and remuneration
The Company will formulate policy on remuneration of Directors as and when it starts paying remuneration to the Directors. The Company appoints directors in accordance with the applicable provisions of the Companies Act, 2013.
- 21. Key Managerial Personnel and other employees**
During the year, Ms Mayuri Mistry was appointed as the Company Secretary of the Company effective from July 16, 2019.
- 22. Board Meetings and Secretarial standards**
Board met six times during 2019-20. Secretarial standards as applicable to the Company were followed and complied with.
- 23. Analysis of remuneration**
There is no employee who falls within the criteria provided in Sections 134(3)(q) and 197(12) of the of the information in respect thereof is not applicable.
- 24. Acknowledgements**
The Board expresses its sincere thanks to all the investors, regulatory and Government authorities for their support.
- For and on behalf of the Board of Directors
- Atul
April 16, 2020 Director Director

Annexure to the Directors' Report

1. Conservation of energy, technology absorption and foreign exchange earnings and outgo

1.1 Conservation of energy

1.1.1 Measures taken

No major steps were taken during the current year in view of very low usage of utilities in business activities.

1.2 Technology absorption

No major steps were taken during the current year.

1.3 Total foreign exchange used and earned

The Company has no Foreign Exchange earnings and outgo.

2. Extract of the Annual Return

Form number MGT – 9

Extract of the Annual Return as on March 31, 2020

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

2.1 Registration and other details

- » CIN: U65990GJ2016PLC093639
- » Registration date: September 08, 2016
- » Name of the company: Atul Fin Resources Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: East Site, Post: Atul, Dist: Valsad – 396 020
- » Telephone: (+91 2632) 230000
- » Whether listed company: No
- » Name, address and contact details of Registrar and Transfer Agent: not applicable

2.2 Principal business activities of the Company

All the business activities contributing 10% or more of the total revenue of the company will be started

No.	Name and description of main products services	National Industrial Classification code of the product service	% to total revenue of the Company
1.	Loans and investments	64920 - the Company holds a certificate of Registration bearing no. B.01.00603 issued by the RBI to carry on business of a Non-Deposit taking Non-banking Financial Company (Type-II)	100%

2.3 Particulars of the holding, the subsidiary and the associate companies

No.	Name and address of the Company	Corporate Identification Number	Holding subsidiary associate	% of shares held	Applicable section
1.	Atul Finserv Ltd	U51900MH1947PLC005453	Holding Company	100.000	2(46)
	Mumbai 400 028				

h)	Trusts	-	-	-	-	-	-	-	-	-
	Sub total (B)(1)	-	-	-	-	-	-	-	-	-
02.	Non-institutions									
a)	Bodies corporate									
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii)	Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c)	Non-resident Indians (NRI)									
i)	NRI repatriable	-	-	-	-	-	-	-	-	-
ii)	NRI non-repatriable	-	-	-	-	-	-	-	-	-
iii)	Foreign bodies	-	-	-	-	-	-	-	-	-
iv)	Foreign nationals	-	-	-	-	-	-	-	-	-
d)	Any other	-	-	-	-	-	-	-	-	-
	Sub total (B)(2)	-	-	-	-	-	-	-	-	-
	Total public shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)	25,00,000	-	25,00,000	100.00	71,53,760	-	71,53,760	100.00	-
C.	Shares held by custodians and against which depository receipts have been issued									
01.	Promoter and promoter group	-	-	-	-	-	-	-	-	-
02.	Public	-	-	-	-	-	-	-	-	-
	Sub total (C)	-	-	-	-	-	-	-	-	-
	Grand total (A)+(B)+(C)	25,00,000	-	25,00,000	100.00	71,53,760	-	71,53,760	100.00	-

2.4.2 Shareholding of the promoters

No.	Name of the Shareholder	Shareholding as at April 01, 2019			Shareholding as at March 31, 2020			% change in shareholding during the year
		Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	
1.	Atul Finserv Ltd	25,00,000	100.00	-	71,53,760	100.00	-	-

2.4.3 Change in the promoters' shareholding

No.	Particulars	Reason for change	Shareholding as at April 01, 2019		Cumulative shareholding during 2019-20	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
A.	Companies					
	At the beginning of the year		25,00,000	100.00	25,00,000	100.00
	Increase Decrease during the year	Preferential issue	46,53,760	100.00	46,53,760	100.00
	At the end of the year		25,00,000	100.00	25,00,000	100.00

2.4.4 Shareholding pattern of top 10 Shareholders (other than the Directors, the promoters and the holders of American Depository Receipts and Global Depository Receipts)
Nil

2.4.5 Shareholding of the Directors and the Key Managerial Personnel
Nil

2.5 Indebtedness

Nil

2.6 Remuneration of the Directors and the Key Managerial Personnel

2.6.1 Remuneration to the Managing Director, the Whole-time Directors and | or the Manager
Nil

2.6.2 Remuneration to the other Directors
Nil

2.6.3 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director
Nil

2.7 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2020.

G R Parekh

B. Sc., F C A, A C S

Ghanshyam Parekh & Co.

Chartered Accountants

203, Akar Complex 1

Tithal Road,

Valsad 396001

INDEPENDENT AUDITOR'S REPORT

To the Members of Atul Fin Resources Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of Atul Fin Resources Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

2. 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 Ind AS 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 Ind AS 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.

Management's Responsibility for the Standalone Ind AS Financial Statements

3. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

4 In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Board of Directors is also responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

5 Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

6 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7 As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS 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 as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

- i. The Company has no pending litigations on March 31, 2020;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GHANSHYAM PAREKH & CO.
Chartered Accountants
(Firm's Registration No. 131167W)

G. R. Parekh
Proprietor
(Membership No. 030530)
UDIN 20030530AAAAAK5907

Atul,
Dated: April 16, 2020

Annexure A to the Independent Auditor's Report

Referred to in paragraph 7(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

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

1. We have audited the Internal Financial Controls over financial reporting of Atul Fin Resources Ltd (the Company) as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

2. The Management of the Company is responsible for establishing and maintaining Internal Financial Controls based on the internal controls 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 (the Guidance Note) 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 policies of the Company, 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.

Auditor's responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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 judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over financial reporting

6. The Internal Financial Control over financial reporting of a company 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. Internal Financial Control over financial reporting of a Company includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

7. 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

8. In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2020, 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 issued by the Institute of Chartered Accountants of India.

For Ghanshyam Parekh & Co.
Chartered Accountants
Firm Registration Number: 131167W

G. R. Parekh
Proprietor
Membership Number: 030530
UDIN **20030530AAAAAK5907**

Place: Atul
Date: April 16, 2020

Annexure B to Independent Auditors' Report:

Referred to in paragraph 6 of the Independent Auditors' Report of the even date to the members of ATUL FIN RESOURCES LIMITED for the year ended March 31, 2020.

- i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
- (c) The Company does not have any immovable property, therefore the Clause is not applicable..
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable..
- iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.

According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable;
- (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, duty of customs, wealth tax, service tax, duty of excise, value added tax, GST or cess which have not been deposited on account of any dispute.
- viii. According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.

- ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.
- X During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. No managerial remuneration has been paid / provided;
- xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
- xiv. The company has made preferential allotment / private placement of shares during the year under review. Proceeds of the same are utilised for the purpose it was made.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company has just been registered under section 45-IA of the Reserve Bank of India Act, 1934 and has yet to commence business as NBFC.

Atul

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)

Date : April 16, 2020

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN **20030530AAAAAK5907**

Atul Fin Resources Ltd

Balance Sheet as at March 31, 2020

(₹)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
A ASSETS			
1 Financial assets			
a) Cash and cash equivalents	2	3,29,994	2,68,60,700
b) Bank balance other than (a) above			
c) Receivables			
i) Trade receivable	3	1,42,72,941	-
ii) Other receivable			
d) Loans			
e) Investments	4	6,01,88,426	-
f) Other financial assets	5	50,00,000	35,400
Total financial assets		7,97,91,361	2,68,96,100
2 Non-financial assets			
a) Current tax assets (net)	6	-	9,727
b) Other non-financial assets			
Total non-financial assets		-	9,727
Total assets		7,97,91,361	2,69,05,826
B LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
a) Payables			
i) Trade payables			
Total outstanding dues of			
a) Micro enterprises and small enterprises			
b) Creditors other than micro enterprises and small enterprises	8	1,16,004	44,600
Total financial liabilities		1,16,004	44,600
2 Non-financial liabilities			
a) Current tax liabilities (net)		65,866	-
Total non-financial liabilities		65,866	-
3 EQUITY			
a) Equity share capital	7	7,15,37,600	2,50,00,000
b) Other equity		80,71,891	18,61,226
Total equity		7,96,09,491	2,68,61,226
Total liabilities and equity		7,97,91,361	2,69,05,826

The accompanying Notes 1-16 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: F-030530

Director

Atul

April 16, 2020

Atul

April 16, 2020

Atul Fin Resources Ltd

Statement of Profit and Loss for the year ended March 31, 2020

(₹)

Particulars	Note	2019-20	2018-19
INCOME			
Interest Income	9	2,24,234	15,81,597
Net gain on fair value changes	10	15,99,930	-
Others	11	34,72,241	0
Total Revenue from operations		52,96,405	15,81,597
Other Income	12	12,500	1
Total Income		53,08,905	15,81,598
EXPENSES			
Finance Costs	13	695	-
Others expenses	14	95,269	11,408
Total expenses		95,964	11,408
Profit before tax		52,12,941	15,70,190
Tax expense			
Current tax		12,89,673	3,84,834
Deferred tax			
Total tax expense		12,89,673	3,84,834
Profit for the year		39,23,268	11,85,356
Basic and diluted earnings ₹ per equity share of ₹ 10 each		1.57	0.47

The accompanying Notes 1-16 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: F-030530

Director

Atul

April 16, 2020

Atul

April 16, 2020

Atul Fin Resources Ltd

Statement of changes in equity for the year ended March 31, 2020

A Equity share capital

(₹)

Particulars	Note	Amount
As at March 31, 2018		2,50,00,000
Changes in equity share capital during the year		-
As at March 31, 2019		2,50,00,000
Changes in equity share capital during the year		4,65,37,600
As at March 31, 2020	5	7,15,37,600

B Other equity

(₹)

Particulars	Reserves and surplus		Total other equity
	Securities premium	Retained earnings	
As at March 31, 2018		6,75,871	6,75,871
Changes in accounting policy prior period errors			-
Total comprehensive income for the year	-	6,75,871	6,75,871
Dividends			-
Transfer to retained earnings		11,85,356	11,85,356
Any other change			-
As at March 31, 2019	-	18,61,226	18,61,226
Changes in accounting policy prior period errors			-
Total comprehensive income for the year	-	18,61,226	18,61,226
Dividends			-
Transfer to retained earnings		39,23,268	39,23,268
Any other change	22,87,397		22,87,397
As at March 31, 2020	22,87,397	57,84,494	80,71,891

The accompanying Notes 1-16 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: F-030530

Director

Atul

April 16, 2020

Atul

April 16, 2020

Atul Fin Resources Ltd

Statement of Cash Flows for the year March 31, 2019

(₹)

Particulars	2019-20	2018-19
A Cash flow from operating activities		
Profit before tax	52,12,941	15,70,190
Adjustments for:		
Add:		
Finance costs	695	-
Less:		
Interest received	2,24,234	15,81,597
	2,24,234	15,81,597
Operating profit before working capital changes	49,89,402	(11,407)
Adjustments for:		
Trade payables	71,404	(7,350)
Trade receivables	(1,42,72,941)	-
Investment	(6,01,88,426)	-
Other current assets	(49,64,600)	(35,350)
	(7,93,54,563)	(42,700)
Cash generated from operations	(7,43,65,161)	(54,107)
Less:		
Direct taxes net of refund	12,14,080	3,92,172
Net cash flow from operating activities A	(7,55,79,242)	(4,46,279)
B Cash flow from investing activities		
Interest received	2,24,234	15,81,597
Net cash used in investing activities B	2,24,234	15,81,597
C Cash flow from financing activities		
Proceeds from issue of shares	4,88,24,997	-
Interest paid	(695)	-
Dividend on Equity shares (including dividend distribution tax)		
Net cash used in financing activities C	4,88,24,302	-
Net increase (decrease) in cash and cash equivalents A+B+C	(2,65,30,706)	11,35,318
Cash and cash equivalents at the beginning of the year	2,68,60,700	2,57,25,432
Cash and cash equivalents at the end of the year	3,29,994	2,68,60,700

The accompanying Notes 1-16 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: F-030530

Director

Atul

April 16, 2020

Atul

April 16, 2020

Atul Fin Resources Ltd

Notes to the Financial Statements

(₹)

Note 2 Cash and cash equivalents	As at March 31, 2020	As at March 31, 2019
a) Balances with banks		
In current accounts	3,29,994	47,82,792
In fixed deposit (maturity of less than three months)	-	2,20,77,908
	3,29,994	2,68,60,700

(₹)

Note 3 Trade receivables	As at March 31, 2020	As at March 31, 2019
Considered good - unsecured	1,42,72,941	-
	1,42,72,941	-

(₹)

Note 4 Other financial assets	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds		
Axis Liquid Fund - Direct Growth (March 31, 2019: 27304.561 units)	6,01,88,426	-
	6,01,88,426	-

(₹)

Note 5 Other financial assets	As at March 31, 2020	As at March 31, 2019
a) Balances with the Government department		
Balances with the statutory authorities	-	-
b) Prepayment to suppliers	50,00,000	35,400
	50,00,000	35,400

(₹)

Note 6 Current tax assets (net)	As at March 31, 2020	As at March 31, 2019
a) Balances with the Government department		
Tax paid in advance, net of provisions	(65,866)	9,727
	(65,866)	9,727

(₹)

Note 7 Equity share capital	As at March 31, 2020	As at March 31, 2019
Authorised		
25,00,000 (March 31, 2019: 25,00,000 equity shares of ₹ 10 each)	12,50,00,000	2,50,00,000
	12,50,00,000	2,50,00,000
Issued		
71,53,760 (March 31, 2019: 25,00,000 equity shares of ₹ 10 each)	7,15,37,600	2,50,00,000
	7,15,37,600	2,50,00,000
Subscribed		
71,53,760 (March 31, 2019: 25,00,000 equity shares of ₹ 10 each)	7,15,37,600	2,50,00,000
	7,15,37,600	2,50,00,000

a) Rights, preferences and restrictions:

The Company has one class of shares referred to as equity shares having a par value of ₹ 10.

i) Equity shares:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts and preference shares. The distribution will be in proportion to the number of equity shares held by the shareholders.

Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b) Details of shareholders holding more than 5% of equity shares:

No	Name of the shareholder	As at March 31, 2020	
		Holding %	Number of shares
1	Atul Finserv Ltd	100%	71,53,760

(₹)

Note 8 Trade payables	As at March 31, 2020	As at March 31, 2019
Creditors other than micro enterprises and small enterprises	1,16,004	44,600
	1,16,004	44,600

Atul Fin Resources Ltd

Notes to the Financial Statements

(₹)

Note 9 Interest income	2019-20	2018-19
Interest income on financial assets classified at fair value through profit or loss:		
Interest on loans		
Interest income from investments		
Interest on deposits with banks	1,62,659	15,81,597
Other interest income	61,575	-
Total	2,24,234	15,81,597

(₹)

Note 10 Net gain (loss) on fair value changes*	2019-20	2018-19
Net gain (loss) on financial instruments at fair value through profit or loss		
i) On trading portfolio		
Investments (Mutual fund)	15,99,930	
ii) On financial instruments designated at fair value through profit or loss		
Total Net gain (loss) on fair value changes	15,99,930	-
Fair value changes:		
Realised	12,68,213	
Unrealised	3,31,717	-
Total net gain (loss) on fair value changes	15,99,930	-

*Fair value changes in this schedule are other than those arising on account of accrued interest income | expense.

(₹)

Note 11 Others	2019-20	2018-19
Bill discounting income	34,72,241	-
Total other income	34,72,241	-

(₹)

Note 12 Other income	2019-20	2018-19
Miscellaneous income*	12,500	1
Total	12,500	1

* Any item under the subhead 'Others' which exceeds one per cent of the total income to be presented separately.

(₹)

Note 13 Finance costs	2019-20	2018-19
On financial liabilities measured at fair value through profit or loss		
Interest on deposits		
Other interest expense	695	-
Total	695	-

(₹)

Note 14 Other expenses	2019-20	2018-19
Auditor's fees and expenses	4,500	2,500
Legal and professional charges	8,492	4,750
Other expenditure	82,277	4,158
Total	95,269	11,408

* Any item under the subhead 'Others expenditure' which exceeds one per cent of the total income to be presented separately.

Notes to the Financial Statements

Note 15 **Related party disclosures**

Note 15 (A) **Related party information**

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
	Atul Ltd	Ultimate Holding company
01	Atul Finserv Ltd	Holding company
02	Aaranyak Urmi Ltd ¹	Subsidiary companies of holding company
03	Aasthan Dates Ltd	
04	Amal Ltd	
05	Anchor Adhesives Pvt Ltd	
06	Atul Aarogya Ltd	
07	Atul Ayurveda Ltd	
08	Atul Bioscience Ltd	
09	Atul Biospace Ltd	
10	Atul Brasil Quimicos Ltda	
11	Atul China Ltd	
12	Atul Clean Energy Ltd	
13	Atul Crop Care Ltd	
14	Atul Deutschland GmbH	
15	Atul Entertainment Ltd	
16	Atul Europe Ltd	
17	Atul Hospitality Ltd	
18	Atul Infotech Pvt Ltd ¹	
19	Atul Ireland Ltd	
20	Atul Middle East FZ-LLC	
21	Atul Nivesh Ltd ¹	
22	Atul Polymers Products Ltd (formerly known as Atul Elkay Polymer Ltd)	
23	Atul Rajasthan Date Palms Ltd ¹	
24	Atul (Retail) Brands Ltd	
25	Atul Seeds Ltd	
26	Atul USA Inc	
27	Biyaban Agri Ltd	
28	DPD Ltd ¹	
29	Gujarat Synthwood Ltd ²	
30	Jayati Infrastructure Ltd	
31	Lapox Polymers Ltd	
32	Osia Dairy Ltd	
33	Osia Infrastructure Ltd	
34	Raja Dates Ltd	
	Other related parties with whom transactions have taken place during the year	
35	Rudolf Atul Chemicals Ltd	Joint venture company of holding company
36	Anaven LLP	Joint operation of holding company

¹ Investments held through subsidiary companies | ² Under liquidation

Notes to the Financial Statements

Note 15 Related party disclosures (continued)

(₹)

Note 15 (B) Transactions with subsidiary companies	2019-20	2018-19
Reimbursement of expenses	600	1,200
Atul Infotech Pvt Ltd	600	1,200
Issue of Equity shares	4,65,37,600	-
Atul Finserv Ltd	4,65,37,600	-
Outstanding balances as at year end		
Payables	600	-
Atul Infotech Pvt Ltd	600	-

Note 16 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board on April 16, 2020.

In terms of our report attached

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

For and on behalf of the Board of Directors

Director

G R Parekh

Proprietor

Membership Number: F-030530

Director

Atul

April 16, 2020

Atul

April 16, 2020