



BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

To,
The Members,
Marwadi Shares and Finance Limited

Your Directors are pleased to present 28th Annual Report on the business and operations of Marwadi Shares and Finance Limited ('the Company' or 'MSFL') along with the accounts for financial year ended on March 31, 2020.

■ FINANCIAL RESULTS AND REVIEW OF PERFORMANCE:

I. STANDALONE RESULTS OF OPERATIONS

Key data showing of your Company's performance on standalone basis during the financial year ended on March 31, 2020, as compared to the previous financial year are summarised below:

Amount in INR

Particulars	Standalone figures for year ended on	
	March 31, 2020	March 31, 2019
Total Income	1,847,724,393.00	1,693,780,915.00
Total Expenditure	1,475,678,351.00	1,354,082,071.00
Profit/(Loss) before tax	372,046,042.00	339,698,844.00
Profit/(Loss) after tax	274,658,642.00	238,842,025.00
Appropriations		
Proposed Dividend	0.00	0.00
Tax on proposed Dividend	0.00	0.00
Profit transferred from Statement of P & L	274,658,642.00	238,842,025.00
Reserve and Surplus Balance	2,922,131,863.00	2,503,049,382.00
Earnings Per Share	27.54	25.37

The year 2019-20 was a year of extreme economic challenges for the world, a situation aggravated almost beyond measure by the unprecedented COVID-19 pandemic/lockdown. However, its worth noting that your Company continued to play on its strengths and posted a stable financial performance. While the Company management faced certain challenges in its activities due to Covid-19 outbreak, this may not have a significant impact on its operations. The management is well aware of the fact that the current business environment may pose challenges in the near term, but it also provides opportunities in the short, medium, and long term. The Board is hopeful of sustained growth of economy. Investments in shares and securities seems growing steadily and gradually. The Board would also like to inform that MSFL has been very focused on Arbitrage trading / jobbing using algorithmic software. The revenue earned through this line of activity is strongly contributing to the top line.

During the Financial Year 2019-20, sensx registered new high but overall trend of retail investors to access secondary market was little sluggish. The primary markets were also not very active. Overall business of MSFL has sustained during the year and registered 9.10 % growth of Total Income and 15.00 % growth in PAT as given in above table. We continue to remain optimistic on the



growth potential of all our business verticals given the robust fundamental structure and revival in macro-conditions.

II. CONSOLIDATED RESULTS OF OPERATIONS

Certain key aspects of Company's performance on consolidated basis along with its subsidiaries and associates during the financial year ended on March 31, 2020, as compared to the previous financial year are summarised below. The subsidiary companies and associates whose financial statements were consolidated with your company's accounts for the financial year 2019-20 are as under:

1.	Marwadi Commodity Broker Private Limited	Wholly Owned Subsidiary
2.	Marwadi Stock broking Limited	Wholly Owned Subsidiary
3.	Marwadi International Securities (IFSC) Limited	Subsidiary
4.	Marwadi Bullions Private Limited	Step-down Subsidiary
5.	Marwadi Finlease Private Limited	Step-down Subsidiary
6.	Marwadi Chandarana Intermediaries Brokers Private Limited	Associate Company
7.	Marwadi Chandarana Enterprise LLP	Associate
8.	Marwadi Enterprise - Partnership Firm	Associate

Amount in INR

Particulars	Consolidated figures for year ended on	
	March 31, 2020	March 31, 2019
Total Income	2,516,229,689.00	2,237,464, 277.00
Total Expenditure	2,060,618,191.00	1,823,638,861.00
Profit/(Loss) before tax	455,611,498.00	413,257,986.00
Profit/(Loss) after tax	336,831,693.00	289,954,519.00
Appropriations		
Proposed Dividend	0.00	0.00
Tax on proposed Dividend	0.00	0.00
Profit transferred from Statement of P & L	336,831,693.00	289,954,519.00
Reserve and Surplus Balance	3,762,119,049.00	3,281,882,746.00
Earnings Per Share (Rs.)	33.78	30.80

Your Directors have to inform that company's consolidated financials along with its subsidiaries are showing positive trend with respect to net profit earned during the Financial Year under review. Total income of consolidated business shows positive statistics i.e. 12.46 % increment as compared to previous financial Year. These sustained numbers could not have been achieved without 3,10,000 registered clients on broking division and 3,15,000 clients on demat division. Our retail distribution stands at 600 points of presence.



■ **FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:**

India has come a long way in achieving self-sufficiency in businesses emerging as an important player in global trades of various commodities. This leads to overall economical boost and growth of securities market as well. The Board of Directors are committed to;

- Sustain current business by leveraging brand
- Agility across the organisation to enhance value offering to current and potential customers

The Board is fully supportive of this growth agenda.

Therefore, company strives for increased retail participation. The activities in various departments are more target oriented and performance oriented. This will surely translate in better results in future. As always, customers' needs and requirements will be at the centre of all our endeavors.

■ **CHANGES IN SHARE CAPITAL/BUY BACK OF SHARES:**

During the reporting period, the Company had issued and allotted 557,621 Equity Shares of Rs. 10/- per share at the premium of Rs. 259/- per share on right issue basis on February 04, 2020 and due to that Paid up capital of the Company was increased from 9,414,860 equity shares to 9,972,481 equity shares

■ **DETAILS REGARDING FURTHER ISSUE OF SHARE CAPITAL:**

During the reporting period, the Company had issued and allotted 557,621 Equity Shares of Rs. 10/- per share at the premium of Rs. 259/- per share on right issue basis on February 04, 2020.

■ **ISSUE OF SWEAT EQUITY SHARES:**

During the reporting period, the Company has not issued sweat equity shares of any class as provided u/s 54 of the Companies Act, 2013. Hence, the disclosure of the same is not required.

■ **CHANGE IN THE NATURE OF BUSINESS, IF ANY OF THE COMPANY:**

During the year under review, there was minor change in nature of business of Marwadi Shares and Finance Limited. The wholly owned subsidiary company namely Marwadi Commodity Broker Private Limited had transferred its commodity broking business on MCX and NCDEX to MSFL w.e.f. 11th January, 2020. Except this, the Company kept on offering varied financial products to its clients. Main products offered were Stock Broking, Depository, IPO & Mutual Fund Distribution, NPS, Commodity Broking, etc. The Board had plans to surrender Merchant Banking operations by not renewing the SEBI registration thereof which is due in the month of October-2020.

■ **CHANGE IN THE NATURE OF BUSINESS, IF ANY OF THE SUBSIDIARIES/ASSOCIATES:**

Marwadi Commodity Broker Private Limited now would work as a commodity broker for ICEX only on account of business transfer of MCX and NCDEX to its holding company. Except above, there was no change in nature of business of company's other subsidiaries and associates.



■ **DIVIDEND:**

Directors of your Company have not proposed any dividend for F.Y. 2019-20.

■ **TRANSFER TO RESERVES:**

The Company proposes to transfer profit of Rs. 100,000,000/- (Rupees Ten Crores only) to General Reserves.

■ **SHIFTING OF REGISTERED OFFICE:**

After closing of financial year, the Company had shifted its Registered Office from Marwadi Financial Plaza, Nana Mava Main Road, Off. 150 Feet Ring Road, Rajkot – 360 001 to Office No 1 MCX Office, 17th Floor, Unit No. 1 & 2 GIFT ONE Tower, S. C. Road, Zone- 5, GIFT CITY, Gandhinagar – 382 355 i.e. from one city to another city (within jurisdiction of same ROC and State but outside the local limits of City) by way of passing Special Resolution in Extra-ordinary General Meeting held on August 03, 2020

■ **CREDIT RATING:**

The Company had availed credit rating from CARE Ratings for total facilities of Rs. 2,115.00 crore borrowings from banks during the year 2019-20. The company received rating of 'CARE BBB+ Stable' for Long Term Banking Facilities and 'CARE A2+' for Short Term Banking Facilities. Further, the company also availed credit ratings from Brickwork Ratings for total facilities of Rs. 2,020.00 crore borrowings. The ratings assigned by Brickwork Ratings is 'BWR BBB Stable' for Long Term Banking Facilities and 'BWR A2+' for Short Term Banking Facilities.

■ **HUMAN RESOURCES MANAGEMENT REVIEW:**

The Company's business requires a skilled and trained manpower and it is one of the key assets towards the performance of the Company as the company is in service sector industry. MSFL has always retained its human resources in tune with its growth plans, market trends and regulatory requirements. Therefore, education and training inputs are specifically designed and imparted which are based on organisational objectives and individual development and performance needs. The total employee strength of the Company together with its subsidiaries as on March 31, 2020 is around 1311 which are commensurate with the scale of operations of the company. Further, your company is collaborating with experts, cultivating an entrepreneurial mindset in our employees and driving transformative experiments to unlock value in journey of MSFL.

■ **SUBSIDIARIES & ASSOCIATES:**

During the Financial Year 2019-20, Company was having two wholly-owned subsidiaries, a subsidiary, two step-down subsidiaries and an Associate Company.



During the reporting period, the Company had invested by way of contributing to capital of Marwadi Chandarana Enterprise LLP of 49% and Marwadi Enterprise – Partnership Firm of 25%. Hence, both entities became Associates of the Company.

During the financial year, the Board of Directors (the Board) reviewed the affairs of its material subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, Company has prepared consolidated financial statements of the Company, all its subsidiaries, associate Company and associates which form part of Annual Report. Further, the report on the performance and financial position of each of the subsidiary and associate and salient features of the financial statements in the prescribed Form AOC-1 is annexed to the financial statements as **Annexure – 1**.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of each of the subsidiary and an associate, will be available for inspection during business hours at the registered office/corporate office of the Company. The same shall also be available on Company's website at www.marwadionline.com. The names of the Subsidiaries companies, an Associate Company and Associates are disclosed as under:

1. Marwadi Commodity Broker Private Limited	[Wholly Owned Subsidiary]
2. Marwadi Stock Broking Limited	[Wholly Owned Subsidiary]
3. Marwadi International Securities (IFSC) Limited	[Subsidiary]
4. Marwadi Finlease Private Limited	[Step - Down Subsidiary]
5. Marwadi Bullions Private Limited	[Step - Down Subsidiary]
6. Marwadi Chandarana Intermediaries Brokers Private Limited	[Associate Company]
7. Marwadi Chandarana Enterprise LLP	[Associate]
8. Marwadi Enterprise – Partnership Firm	[Associate]

1. Marwadi Commodity Broker Private Limited [MCBPL]:

MCBPL is engaged in broking activities related to commodity derivatives. However, with effect from January 10, 2020, its entire business was transferred to Marwadi Shares and Finance Limited. During the reporting period, total revenue from operations of MCBPL was increased by 15.74% in comparison of previous year.

2. Marwadi Stock Broking Limited [MSBL]:

During the reporting period MSBL earned total revenue of Rs. 1,240,234/- and net profit of Rs. 867,120/-.

3. Marwadi International Securities (IFSC) Limited [MIS(IFSC)]:

During the reporting period, the Company had been registered as a Stock Broker by Securities Exchange Board of India and was admitted as trading member of India International Exchange (IFSC) Limited and NSE IFSC Limited. On being obtained membership, during the reporting period,



the Company had executed only two trades to commence the business with. However, the said trades resulted into no profit no loss scenario.

4. Marwadi Finlease Private Limited [MFPL]:

MFPL is wholly owned subsidiary of Marwadi Commodity Broker Private Limited and a step-down subsidiary of the company. Marwadi Finlease Private Limited is a Non-Banking Financial Company. During the reporting year, Company generated revenue from operations of Rs. 342,380,291/- and earned profit of Rs. 35,816,687/-.

5. Marwadi Bullions Private Limited [MBPL]:

During the year under review, MBPL had generated revenue from operations of Rs. 9,64,163/- which was comparatively low to that of the previous year's revenue. Profit of MBPL was also decreased as compared to previous year due to stringent market conditions.

6. Marwadi Chandarana Intermediaries Brokers Private Limited (MCIBPL):

During the reporting period, MCIBPL has commenced its business operations and generated total revenue of Rs. 197,982/- and earned profit of Rs. 30,652/-.

7. Marwadi Chandarana Enterprise LLP (MCE-LLP):

MCE-LLP was incorporated in April 01, 2019 with object to carry on business of Construction, Investment in Land and Buildings, Town planners, Infrastructure developers, estate agents, housing & land agents & property dealers & for the purpose to advertise & assist for sale or purchase, to find out or introduce purchasers & vendors of land, buildings, flats & other properties & related activities.

During the reporting period, LLP has not generated any revenue from its main as well as ancillary activities.

8. Marwadi Enterprise – Partnership Firm:

The partnership was constituted on February 14, 2019 with object to carry business of trading of shares, stocks, securities, commodities, currency derivatives and F & O etc.

During the reporting period, total receipts of Firm was Rs. 4,87,56,359 and earned a profit of Rs. 14,37,180.

■ DIRECTORS & KMP:

During the reporting period, there had been following changes in Board of Directors:

- Ms. Juhi D. Marwadi [DIN: 08643036] was appointed as an Additional Director w.e.f. February 08, 2020 upto the date of ensuing Annual General Meeting. Further, Board has



recommended regularising her appointment as a director to members of the Company at the ensuing Annual General Meeting.

- Mr. Kantilal K. Khakhar [DIN: 01957569] was re-appointed as an Independent Director for second term of 5 years w.e.f. March 20, 2020.

All the Directors of the company possess appropriate balance of skills, experience, and knowledge, as required by the Companies Act, 2013 and criteria specified in Nomination and Remuneration Policy.

As per the provisions of the Companies Act, 2013, Mr. Deven H. Marwadi (DIN: 00016141) is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

A brief note on Director seeking appointment and a director retiring by rotation and eligible for reappointment is furnished in the Annual Report as an **Annexure – 2**.

■ **COMPOSITION OF KEY MANAGERIAL PERSONNEL (KMP):**

The Company has the following KMP;

Name of the KMP	Designation	Date of Appointment	Date of Resignation
Mr. Ketan H. Marwadi	Managing Director	May 01, 1992	N.A.
Mrs. Mira D. Marwadi	Whole-time Director	June 01, 1995	N.A.
Mr. Deven H. Marwadi	Whole-time Director	January 19, 1998	N.A.
Mr. Sandip H. Marwadi	Whole-time Director	January 19, 1998	N.A.
Mr. Jeet K. Marwadi	Director	July 21, 2017	N.A.
	Whole-time Director	February 01, 2019	
Mr. Tushit G. Mangukiya	Company Secretary	August 03, 2004	N.A.
Mr. Sanjay H. Thakrar	Chief Financial Officer	March 20, 2015	N.A.

■ **DECLARATION FROM INDEPENDENT DIRECTORS:**

Independent Directors have submitted their declaration required under section 149(7) to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with rules framed there under.

■ **DISCLOSURE UNDER SECTION 197(14) OF THE ACT:**

Section 197(14) lays down that any Director who is in receipt of any Commission from the Company and who is a MD/WTM shall not be disqualified from receiving any remuneration or commission from any holding or subsidiary company subject to its disclosure's in the Board's Report. The Company is not required to provide disclosure under Section 197(14) of the Act, as no such instance has arisen.



■ **DISCLOSURE UNDER SUB-RULE 4 OF RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014**

As per sub-rule 4 of Rule 8 of Companies (Accounts) Rules, 2014, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors required to be incorporated in this report. However, as paid up capital of the Company is below prescribed threshold limit under said rule, the Company is not required to disclose the same.

■ **DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company is committed in creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company have the right to be treated with dignity. Your Company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment including sexual harassment.

Accordingly, the company has framed Policy of Sexual Harassment – POSH in line with requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

Further, your Company has also constituted Internal Complaints Committee – ICC in accordance with requirement of section 4 of Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

Disclosure as per section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:

1.	No. of sexual harassment complaints received	0
2.	No. of sexual harassment complaints disposed off	0

■ **BOARD OF DIRECTORS:**

a. Composition of the Board

The strength of the Board was Eight Directors as on March 31, 2020, comprising of a Managing Director, four Whole-time Directors and Three Non-Executive Directors i.e. two Independent Directors and one Additional Director.

b. Number of Board Meetings

During the financial year 2019-20, the Board of Directors met Eleven (11) times. The dates on which the Board Meetings were held are: April 16, 2019, May 13, 2019, May 31, 2019, August 19, 2019, August 31, 2019, November 08, 2019, December 11, 2019, January 07, 2020, February 04, 2020, February 28, 2020 and March 21, 2020.

Necessary quorum was present at all the above mentioned meetings.

**c. Attendance of Directors at Board Meetings and last Annual General Meeting (AGM):**

Name of Director	Nature of Directorship	No. of Board Meetings attended during the year	Whether attended last AGM
Mr. Ketan H. Marwadi	Managing Director	10	Yes
Mr. Deven H. Marwadi	Whole-time Director	10	Yes
Mr. Sandip H. Marwadi	Whole-time Director	10	Yes
Mrs. Mira D. Marwadi	Whole-time Director	9	Yes
Mr. Jeet K. Marwadi	Whole-time Director	7	Yes
*Ms. Juhi D. Marwadi	Additional Director	2	N.A.
**Mr. Kantilal K. Khakhar	Independent Director	11	No
Mr. Nareshkumar D. Jadeja	Independent Director	11	No

* Ms. Juhi D. Marwadi was appointed as an Additional Director w.e.f. February 08, 2020

** Mr. Kantilal K. Khakhar was re-appointed as an Independent Director for second term of 5 years.

AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013.

During the financial year 2019-20, seven (7) Audit Committee Meetings were held. The dates on which the said meetings were held are April 04, 2019, April 26, 2019, August 29, 2019, November 04, 2019, December 09, 2019, January 01, 2020, and March 13, 2020. Necessary quorum was present at the meetings.

The composition of Audit Committee and the details of meetings attended by its members are given below:

Name	Category	No. of Committee meetings attended during year
Mr. Ketan H. Marwadi	Chairman (Non-Independent-Executive)	7
Mr. Kantilal K. Khakhar	Member (Independent-Non-Executive)	7
Mr. Nareshkumar D. Jadeja	Member (Independent-Non-Executive)	7

The Company Secretary acts as the Secretary of the Audit Committee.



■ **NOMINATION AND REMUNERATION COMMITTEE:**

Pursuant to Section 178 of the Companies Act, 2013, Company has formulated Nomination and Remuneration Committee. Roles, Responsibilities and Functions of the Committee are as assigned by the Board of Directors of the Company.

Three (3) Nomination and Remuneration Committee Meetings were held during the financial year 2019-20. The dates on which the said meetings were held are April 15, 2019, January 06, 2020 and February 27, 2020. Necessary quorum was present at the meetings.

Name	Category	No. of Committee meetings attended during year
Mr. Kantilal K. Khakhar	Chairman (Independent-Non-Executive)	3
Mr. Ketan H. Marwadi	Member (Non-Independent-Executive)	3
* Mr. Jeet K. Marwadi	Member (Non-Independent-Executive)	2
Mr. Nareshkumar D. Jadeja	Member (Independent -Non-Executive)	3
** Ms. Juhi D. Marwadi	Member (Non-Independent - Non Executive)	1

* Mr. Jeet K. Marwadi tendered his resignation as committee member of NRC w.e.f. February 08, 2020.

** Ms. Juhi D. Marwadi was appointed as committee member of NRC w.e.f. February 08, 2020.

On appointment of Mr. Jeet K. Marwadi as a Whole-time Director, Company needed to appoint one Non Executive Director on the Board of the Company and to make him/her a member of the Nomination and Remuneration Committee. The Company could find Ms. Juhi D. Marwadi and appointed her on the Board and Nomination and Remuneration Committee w.e.f February 08, 2020.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

■ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

For the Financial Year 2019-20, the Company had allocated Rs. 6,333,658.14/- (Sixty Three Lakhs Thirty Three Thousand Six Hundred Fifty Eight Rupees and Fourteen Paise only) (i.e. 2% of the average net profit during the three immediately preceding financial years) for the CSR activities and which was fully spent during this year through implementing agency - Shri Harkishan B. Marwadi Charitable Trust.

CSR committee also recommended Rs.5,865,428.51/- (Fifty Eight Lakhs Sixty Five Thousand Four Hundred Twenty Eight Rupees and Fifty One Paise Only) (2% of the average net profits of the Company made during the three immediately preceding financial years) to be spent for CSR activities of the Company for financial year 2020-21.



Initiatives undertaken by the Company on CSR activities are disclosed in the format prescribed in the Companies (Corporate Social Responsibility policy) Rules, 2014 and composition of the Committee as required to be disclosed under Section 135 of the Companies Act, 2013, are attached to this report as an **Annexure - 3**.

Two (2) Corporate Social Responsibility Committee Meetings were held during the financial year 2019-20. The dates on which the said meetings were held are August 26, 2019 and March 17, 2020. Necessary quorum was present at the meetings.

Details of CSR meetings attended by Directors during the financial year 2019-20 are given below:

Name	Category	No. of Committee meetings attended during the year
Mr. Ketan H. Marwadi	Chairman (Non-Independent-Executive)	2
Mr. Kantilal K. Khakhar	Member (Independent-Non-Executive)	2
Mr. Nareshkumar D. Jadeja	Member (Independent-Non-Executive)	2

The Company Secretary acts as Secretary of the Corporate Social Responsibility Committee.

Further, CSR Policy of Company has been displayed on website of the Company www.marwadionline.com as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 and the web link to the policy is https://www.marwadionline.com/assets/pdf/downloads/csr_policy.pdf

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Nomination and Remuneration Committee has laid down criteria for Director's appointment and remuneration including criteria for determining qualification, positive attributes, and independence of Director. Following attributes/criteria for selection have been laid by the Board on recommendations of the Committee:

- a. Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c. Company shall not appoint or continue the employment of any person as Whole-time Director who has attained age of seventy years. Provided that term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a



special resolution based on explanatory statement annexed to the notice for such motion indicating justification for extension of appointment beyond seventy years.

■ **REMUNERATION POLICY:**

Objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration based on fundamental principles of payment for performance, for potential and for growth. It also ensures effective recognition of performance and encourages a focus on achieving superior operational results. Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel as determined under the Companies Act, 2013 and which is approved by Board of Directors, subject to the approval of shareholders, wherever necessary. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of Company and its goals.

■ **BUSINESS RISK MANAGEMENT:**

Company has framed Risk Management Policy with regards to the stock broking and secondary market related operations. All the business activities are being carried under the direct supervision of the Board of Directors of the Company. Considering the past experience, Company has taken all reasonable steps to mitigate business risks involved in business activities. Given the facts, in the opinion of the Board of Directors, there is no foreseeable risk involved in business of the Company which may threaten the existence of the Company. As a part of routine operations, exposure given to clients and risks involved therein with regards to secondary market trading activities are being closely monitored by Mr. Deven H. Marwadi (DIN: 00016141), Whole-time Director and is being controlled as per expectations of regulators.

■ **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Board has laid down Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. Board believes that Company has sound IFC commensurate with the nature and size of its business though the Company is in continuous process of implementing newer and/or improved controls for the purpose of ensuring the orderly and efficient conduct of business of the Company, 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.

■ **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has nothing to report in respect of Conservation of Energy and Technology Absorption in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 since the Company is not engaged in manufacturing or processing business.



The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. Conservation of Energy:

(i)	The steps taken or impact on conservation of energy	No specific steps were taken
(ii)	The steps taken by the company for utilizing alternate sources of energy	Not Applicable
(iii)	The capital investment on energy conservation equipments	NIL

Energy consumption:

The Company is engaged in the business of broking and depository services which is not energy intensive. However, the Company uses electricity at its registered and administrative offices.

B. Technology absorption:

(i)	The efforts made towards technology absorption	No efforts have been made
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	During the year there was no import of any technology
	(a) the details of technology imported	Not applicable
	(b) the year of import	Not applicable
	(c) whether the technology been fully absorbed	Not applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not applicable
(iv)	The expenditure incurred on Research and Development	Capital & Revenue Expenditure - NIL

C. Foreign Exchange Earnings and Outgo:

During the year under review, there were no foreign exchange earnings. Details of foreign exchange outgo were as under:

1.	Payment Made To NYSE Market (DE), INC for Professional Services	US \$ 90	Equivalent to INR 6,318
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■ SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, no significant and material orders were passed by any Regulator, Court, Tribunal, Statutory and quasi-judicial body having impact on the going concern status of the company and its future operations. However the company has been levied a penalty of Rs. 5.08 Lakhs from National Stock Exchange of India Limited as an outcome of their observations during



routine inspection for the period of 2017-18. The company has ensured to take requisite corrective actions and paid the penalty.

■ **AUDITORS:**

CA Hiren Mandaliya, (Membership No.: 137782) Proprietor of M/s. Mandaliya & Associates, Chartered Accountants, Rajkot were appointed as statutory auditors of the Company in the 27th Annual General Meeting for the period of 5 years.

■ **STATUTORY AUDITOR'S REPORT:**

The Statutory Auditor's Report on the Accounts of the Company for the financial year ended on March 31, 2020 is attached to the financial statements.

■ **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS/SECRETARIAL AUDITORS:**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report for the financial year ended on March 31, 2020.

During the reporting period, provisions relating to Secretarial Audit u/s 204 of the Companies Act, 2013 are not applicable to your Company.

■ **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

During the year under consideration, there were no such instances.

■ **VIGIL MECHANISM:**

The Company in compliance with Section 177 of the Companies Act, 2013 and has established a Vigil Mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Company has Vigil Mechanism process wherein the employees are free to report violations of laws, rules, regulations or unethical conduct.

The Vigil Mechanism policy is posted on the website of company i.e. https://137.79.50.8/MSFL_IIS/Documents/Vigil%20Mechanism.pdf

■ **SECRETARIAL AUDIT REPORT:**

The Company is not covered u/s 204 of the Companies Act, 2013. Therefore, the requirement to annex Secretarial Audit Report with Board's Report is not applicable.



■ **SECRETARIAL STANDARDS COMPLIANCES:**

The Company is in compliance with applicable Secretarial Standards (SS1 - Secretarial Standard on Meetings of The Board of Directors and SS2 - Secretarial Standard on General Meetings) issued by Institute of Company Secretaries of India and approved by the Ministry of Corporate Affairs.

■ **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No such material changes and commitments affecting the financial position of the Company occurred from the end of the financial year 2019-20 till the date of this report.

■ **DISCLOSURES RELATING TO MAINTENANCE OF COST RECORDS:**

As your Company is not engaged in production of such goods or providing such services as specified in section 148(1) of Companies Act, 2013, the requirement of disclosure relating to maintenance of Cost Records shall not applicable to the Company.

■ **EXTRACT OF ANNUAL RETURN:**

The Extract of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and administration) Rules, 2014 in prescribed Form MGT-9 is attached herewith as **Annexure - 4.**

■ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The details of loans given, investments made, guarantees given and securities provided under section 186 of the Companies Act have been provided as **Annexure - 5.**

■ **PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

Particulars of contracts and arrangements with related parties as required to be furnished under the Companies Act, 2013 in prescribed Form AOC - 2 is attached herewith as **Annexure - 6.**

■ **DEPOSITS:**

During the year under review, the Company has not accepted any deposit covered under the Chapter V of the Companies Act, 2013.

The Statement thereof is furnished here as below:



Sr.	Particulars	Amount in (Rs.)
1.	Accepted during the year	Nil
2.	Remained unpaid or unclaimed as at the end of the year	Not Applicable
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	Not Applicable
3.1	at the beginning of the year	Not Applicable
3.2	maximum during the year	Not Applicable
3.3	at the end of the year	Not Applicable
4.	Deposits which are not in compliance with the requirements of Chapter V of the Act	Nil

■ **DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby declares that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had 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 year and of the profit of the Company for that period;
- c. The directors had taken proper and sufficient care 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;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The Directors 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. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

■ **ACKNOWLEDGEMENT:**

Your Directors are grateful to Government of India, Government of Gujarat, Securities and Exchange Board of India (SEBI), Reserve Bank of India, BSE Limited (BSE), National Stock Exchange of India Limited (NSE), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Multi Commodity Exchange of India Limited (MCX), National Commodity & Derivatives Exchange Ltd. (NCDEX), Indian Commodity Exchange Ltd (ICEX) and various government agencies for their continued co-operation, support and advice.



The Board wish to place on record their profound admiration and sincere appreciation towards all the Clients, Authorised Persons, Bankers, Shareholders, Auditors and all others who have reposed their confidence in the Company.

Date: August 25, 2020

Place: Rajkot

**By Order of the Board of Directors of
Marwadi Shares and Finance Limited**

[Ketan H. Marwadi]

Chairman & Managing Director

DIN: 00088018



Registered Office:

Office No 1 MCX Office, 17th Floor,
Unit No. 1 & 2 GIFT ONE Tower,
S. C. Road, Zone- 5,
GIFT CITY, Gandhinagar – 382 355

Corporate Office:

'Marwadi Financial Plaza',
Nana Mava Main Road,
Off: 150 Feet Ring Road,
Rajkot – 360 001

Tel: 0281-6192000, 7174000

E-mail: msfl@marwadigroup.in

Website: www.marwadionline.com

CIN: U65910GJ1992PLC017544

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2020

Part - A: Subsidiaries

(Amount in INR)

1	Sr. No.	1	2	3	4	5
2	Name of the Subsidiary Company	Marwadi Commodity Broker Private Limited	Marwadi Stock Broking Limited	Marwadi International Securities (IFSC) Limited	Marwadi Finlease Private Limited	Marwadi Bullions Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	The Date since when subsidiary was acquired	July 24, 2004	November 08, 2009	January 24, 2017	October 27, 2007	January 23, 2012
6	Share Capital	Rs. 24,873,500 (248,735 Equity Shares of Rs. 100/- each fully paid up)	Rs. 10,000,000 (1,000,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 12,000,000 (1,200,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 310,22,700 (3,102,270 Equity Shares of Rs. 10/- each fully paid up)	Rs. 120,000 (1,200 Equity Shares of Rs. 100/- each fully paid up)
7	Reserves & Surplus	396,426,700	4,345,719	---	438,849,036	717,120
8	Total Assets	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
9	Total Liabilities	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
10	Investments	183,466,686	---	---	---	---
11	Turnover (Operating Income)	37,898,598	---	---	342,380,291	964,163
12	Profit/(Loss) before taxation	21,661,407	1,192,120	---	59,828,858	883,071
13	Provision for taxation	5,490,000	325,000	---	15,058,000	170,000
14	Profit/(Loss) after taxation	16,171,407	867,120	---	44,770,858	713,071
15	Proposed Dividend	---	---	---	---	---
16	% of shareholding	100% of Equity capital	100% of Equity capital	51% of Equity capital	Nil*	Nil*

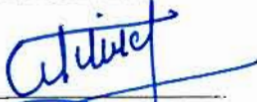
* Step-down subsidiaries through Marwadi Commodity Broker Private Limited. Hence there is no shareholding.

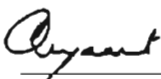
Notes:


1. No subsidiary, which has not commence its business.
2. No subsidiaries have been liquidated or sold during the year.


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
DIN: 00088018


Sandip H. Marwadi
Whole-time Director
DIN: 00088051


Sanjay H. Thakrar
CFO
CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot



Part - B: Associates and Joint Ventures
Statement pursuant to section 129(3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures

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

Part - B: Associate

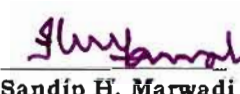
1	Sr. No.	1	2	3
2	Name of the Associate	Marwadi Chandarana Intermediaries Brokers Private Limited [MCIBPL]	Marwadi Chandarana Enterprise LLP [MCE LLP]	Marwadi Enterprise [Partnership Firm]
3	Latest audited Balance Sheet Date	March 31, 2020	March 31, 2020	March 31, 2020
4	Shares of Associate/Joint Ventures held by the company on the year end			
	No. of Shares	1,000,000 Equity Shares of Rs. 10 each	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture	Rs. 10,000,000/-	Rs. 4,900,000	Rs. 390,545 as on March 31, 2020
	Extend of Holding %	50%	49%	25%
5	Description of how there is significant influence	MSFL holds 50% equity shares of MCIBPL	MSFL contributes 49% of total capital of MCE-LLP	MSFL contributes 25% of total capital of Marwadi Enterprise
6	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
7	Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 7,904,621.5	Rs. 4,900,000/-	Rs. 3,84,295/-
8	Profit / Loss for the year	Rs. 30,652/-	Rs. 0/-	Rs. 1,437,180/-
	i. Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 3,65,545/-
	ii. Not Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 10,71,635/-


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
DIN: 00088018


Sandip H. Marwadi
Whole-time Director
DIN: 00088051


Sanjay H. Thakrar
CFO
CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot



Annexure - 2**DETAILS OF DIRECTOR SEEKING APPOINTMENT AT THE 28th ANNUAL GENERAL MEETING:**

Name of the Director	Ms. Juhi Devenbhai Marwadi
Designation	Director
Director Identification Number (DIN)	08643036
Date of Birth	31 st July, 1996
Nationality	Indian
Date of Appointment	February 08, 2020
Qualifications	Master of Science -University of Leeds West Yorkshire, England.
Expertise in specific functional areas	Keeping at fore in Strategic Planning, Ms. Juhi Marwadi leads the project management teams at MSFL
Number of Shares held in the Company (MSFL)	Nil
Directorships held in other companies	1. Marwadi Services Private Limited 2. Pixon Energy Limited 3. Pixon Green Energy Private Limited
Membership/Chairmanship of Committees of the other Public Companies	Nil
Relation with other directors	Relative of Mr. Deven H. Marwadi, Whole-time Director and Mrs. Mira D. Marwadi, Whole-time Director of the Company.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 28TH ANNUAL GENERAL MEETING

Name of the Director	Mr. Deven H. Marwadi
Director Identification Number (DIN)	00016141
Date of Birth	September 09, 1968
Nationality	Indian
Date of Appointment	January 19, 1998
Qualifications	H.S.C.
Expertise in specific Functional areas	<p>Mr. Deven H. Marwadi has over 27 years of experience in stock market related activities. He has extensive knowledge and expertise in trading and clearing segment and is in whole charge of day today trading activities of the NSE and BSE trading in Cash and derivatives segment. He is in charge of total client base of the organization including DP operations of NSDL and CDSL apart from looking after the trading requirements of Commodity market i.e. of MCX and NCDEX segments.</p> <p>Having overall management, superintendence, and control of pay-in and pay-out obligations with the exchanges relating to funds and securities, maintenance of pool accounts of securities, monitoring collections and payments of funds, delivery of securities to the clients and to pool account on daily basis, meeting settlement obligations of the exchanges and related activities. Monitoring of trading activities of branches and authorised persons and taking effective surveillance decisions.</p>
Directorships held in other companies	<ul style="list-style-type: none"> • Marwadi Commodity Broker Private Limited • Marwadi Stock Broking Limited • Marwadi Charitable Foundation • Pixon Energy Limited • Pixon Green Energy Private Limited
Number of Shares held in the Company (MSFL)	850,410 Equity shares
Relation with other directors	Relative of Mrs. Mira D. Marwadi, Whole-time Director, Mr. Ketan H. Marwadi, Managing Director, Mr. Sandip H. Marwadi, Whole-time Director and Ms. Juhi D. Marwadi, Additional Director of the Company

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

1. A brief outline of the Company's CSR policy, including an overview of projects or programmes proposed to be undertaken:

The Company's Corporate Social Responsibility policy evolved to meet with requirements of Section 135 of The Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules). Further the Company being a good corporate citizen is also otherwise committed to its social responsibilities. Company's focus has always been to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations. Apart from the same, MSFL always stands with the society in the time of emergency.

Focus area of CSR Policy:

The CSR Policy of the Company mainly focuses in the areas of Welfare of Animal and Promotion of Education.

Welfare of Animal

MSFL CSR Policy is striving to Provide following for the welfare of animals:

- To provide forage and fresh water to maintain health and vigor of animals.
- To provide appropriate accommodation to animals including shelter and a comfortable resting area.
- To provide treatment for any injury or disease.
- Support for animal hospital and the rescue and care of animals.
- Support to various organizations for the care of animals in India.
- Any other activity for betterment of animal welfare.

Promotion of Education

MSFL CSR Policy is striving to provide following for the promotion of Education:

- To provide scholarships to students who are from underprivileged backgrounds.
- To provide grants for improving the infrastructure. Sponsor Chairs and create endowment funds to assist the students with their studies.
- To provide grant for physical, mental and intellectual development of students.
- To provide grant to hostels for boarding and lodging of students.
- Such other activities as may be required to be undertaken for the promotion of education

Undertaking CSR Activities

The Company undertakes its CSR activities through registered eligible trusts as mentioned in CSR policy. For more details on CSR, visit https://www.marwadionline.com/assets/pdf/downloads/csr_policy.pdf

2. The composition of the CSR committee:

The Corporate Social Responsibility Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy and ensuring that the CSR objectives of the Company are met.

The CSR Committee comprises three directors, out of which two directors are Independent Directors and one is the Managing Director of the Company. The members of the CSR committee as on March 31, 2020 are as under:

Sr. No.	Names	Member
1.	Mr. Ketan H. Marwadi	Chairman
2.	Mr. Kantilal K. Khakhar	Member
3.	Mr. Nareshkumar D. Jadeja	Member

3. Average net profit of the company for last three financial years for the purpose of computation of CSR: **Rs. 316,682,907.00**

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): **Rs. 6,333,658.14**

5. **Details of CSR spent during the financial year:**

(a)	Total amount to be spent for the financial year	Rs. 6,333,658.14
(b)	Amount unspent, if any	Rs. 0.00
(c)	Total Amount Spent during the year 2019-20	Rs. 6,350,000.00
(d)	Manner in which the amount spent during the financial year is detailed below:	

Sr. No	CSR Project or activity identified	Sector in Which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and projects or programs was undertaken	Amount outlay (budget): Project or Programs Wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure Up to the reporting period	Amount spent: Direct or through Implementing agency
1	Donation for Animal Welfare	Animal Welfare	Local area	Rs. 6,333,658.14	Rs. 6,350,000.00	Rs. 33,753,000.00	Implementing agency

The registered eligible trust which acted as Implementing Agency is Shri Harkishanbhai B. Marwadi Charitable Trust for the Financial Year 2019-20.

6. **Reasons for not spending the full allocated amount:** Not Applicable

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Date: August 25, 2020

Place: Rajkot



[Ketan H. Marwadi]
M.D. & Chairman CSR Committee
DIN: 00088018



[Sandip H. Marwadi]
Whole-time Director
DIN: 00088051



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 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)

I. REGISTRATION AND OTHER DETAILS:

i) Corporate Identification No. (CIN)	U65910GJ1992PLC017544
ii) Registration Date	May 1, 1992
iii) Name of the Company	Marwadi Shares and Finance Limited
iv) Category/Sub-category of the Company	Company limited by Shares/Indian Non-government Company
v) Address of the Registered office & contact details	Registered Office: Office No 1 MCX Office, 17th Floor, Unit No. 1 & 2 GIFT ONE Tower, S. C. Road, Zone - 5, GIFT CITY, Gandhinagar - 382 355 (w.e.f 03-Aug-2020) Corporate Office: 'Marwadi Financial Plaza', Nana Mava Main Road, Off: 150 Feet Ring Road, Rajkot - 360 001 Tel: 0281-6192000, 7174000 E-mail: msfl@marwadigroup.in Website: www.marwadionline.com
vi) Whether listed company	No
vii) Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072, Maharashtra Tel: +91-22-40430200, Fax: +91-22-28475207 Email: marketreg@bigshareonline.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)

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Broking Service	66120	46.27%
2	Profit on Trading of Shares	66120	48.56%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/ULM	Holding/ Subsidiary/ Associate	% of shares	Applicable Section
1	Marwadi Commodity Broker Private Limited 'Marwadi Financial Plaza', Nana Mava Main Road, Off: 150 Feet Ring Road, Rajkot - 360 001.	U74992GJ2001PTC040221	Subsidiary	100%	2(87)
2	Marwadi Stock Broking Limited 'Marwadi Financial Plaza', Nana Mava Main Road, Off: 150 Feet Ring Road, Rajkot - 360 001.	U67190GJ2007PLC050150	Subsidiary	100%	2(87)
3	Marwadi International Securities (IFSC) Limited Unit No. 205, 2nd Floor, Signature Building, Block -13 B, Zone-1, GIFT SEZ, GIFT CITY Gandhinagar - 382 355	U65929GJ2017PLC095247	Subsidiary	51%	2(87)
4	Marwadi Finance Private Limited 'Marwadi Financial Plaza', Nana Mava Main Road, Off: 150 Feet Ring Road, Rajkot - 360 001	U65923GJ1996PTC031401	Step Down Subsidiary (Subsidiary of Marwadi Commodity Broker Private Limited)	Nil	2(87)
5	Marwadi BullHorns Private Limited 'Marwadi Financial Plaza', Nana Mava Main Road, Off: 150 Feet Ring Road, Rajkot - 360 001.	US2393GJ2002PTC041678	Step Down Subsidiary (Subsidiary of Marwadi Commodity Broker Private Limited)	Nil	2(87)
6	Marwadi Chandarena Intermediaries Brokers Private Limited having corporate office at Marwadi Finance Plaza, Nr. Iscon Mega Mall, Nana Mava Main Road Rajkot GJ 360005	U67120GJ2018PTC103598	Associate Company	50%	2(6)

IV. SHARE HOLDING PATTERN: (Equity share capital breakup as percentage of total equity)**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]			% of Total Shares	No. of Shares held at the end of the year [As on March 31, 2020]			% of Total Shares	% Change during the year
	Demat	Physical	Total		Demat	Physical	Total		
A. Promoters									
(1) Indian									
a) Individual/ HUP	5,102,429	0	5,102,429	54.20	5,102,429	0	5,102,429	51.17	-3.03
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	-
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	-
d) Bodies Corp.	3,950,800	0	3,950,800	41.96	4,600,763	0	4,600,763	46.13	4.17
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	-
f) Any other	0	0	0	0.00	0	0	0	0.00	-
Sub Total (A) (1)	9,053,229	0	9,053,229	96.16	9,703,192	0	9,703,192	97.30	1.14
(2) Foreign									
a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	9,053,229	0	9,053,229	96.16	9,703,192	0	9,703,192	97.30	-

B. Public Shareholding**1. Institutional**

a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) PFI	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00

2. Non-Institutional**a) Bodies Corporate**

i) Indian	129,305	0	129,305	1.37	136,963	0	136,963	1.37	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

b) Individuals

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	132,326	100,000	232,326	2.47	132,326	0	132,326	1.33	-1.14

n) Others (specify)									
Non Resident Indians	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B) = (B) (1) + (B) (2)	261,631	100,000	261,631	2.84	269,289	0	269,289	2.7003	-1.14
C. Shares held by Custodians for ODRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	9,314,860	100,000	9,414,860	100	9,972,481	0	9,972,481	100	-

(ii) Shareholding of Promoters									
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2019)			Shareholding at the end of the year (As on March 31, 2020)			% change in shareholding during the year	
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares		
1	Mr. Ketan H. Marwadi	850,410	9.03	0	850,410	8.53	0	-0.51	
2	Mr. Deven H. Marwadi	850,410	9.03	0	850,410	8.53	0	-0.51	
3	Mr. Sandip H. Marwadi	850,409	9.03	0	850,409	8.53	0	-0.51	
4	Mrs. Mira D. Marwadi	850,400	9.03	0	850,400	8.53	0	-0.51	
5	Mrs. Kanan S. Marwadi	850,400	9.03	0	850,400	8.53	0	-0.51	
6	Mrs. Savitha K. Marwadi	850,400	9.03	0	850,400	8.53	0	-0.51	
7	M/s. Marwadi Investment Private Limited	1,370,000	14.55	0	1,919,963	19.25	0	4.70	
8	M/s. Marwadi Services Private Limited	2,330,000	24.75	0	2,430,000	24.37	0	-0.38	
9	M/s. Marwadi Metals and Minerals Private Limited	250,800	2.66	0	250,800	2.51	0	-0.15	
10	Mr. Jee K. Marwadi	0	0.00	0	0	0.00	0	0.00	
11	*Ms. Juhu D. Marwadi	N.A.	N.A.	N.A.	0	0.00	0	0.00	

* Ms. Juhu D. Marwadi was appointed as Additional Director w.e.f. February 08, 2020
Note:- During the financial year, the Company issued 557,621 Equity Shares on Right Issue basis and as a result there was change in % of shareholding

(iii) Change in Promoters' Shareholding (please specify, if there is no change)									
Sr. No.	Particulars	Shareholding at the beginning of the year (As on April 01, 2019)		Cumulative Shareholding during the year (From April 01, 2019 to March 31, 2020)					
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company				
1	Name: Mr. Ketan H. Marwadi								
	At the beginning of the year	850,410	9.03	850,410	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,410	9.03	850,410	8.53				
2	Name: Mr. Deven H. Marwadi								
	At the beginning of the year	850,410	9.03	850,410	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,410	9.03	850,410	8.53				
3	Name: Mr. Sandip H. Marwadi								
	At the beginning of the year	850,409	9.03	850,409	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,409	9.03	850,409	8.53				
4	Name: Mrs. Mira D. Marwadi								
	At the beginning of the year	850,400	9.03	850,400	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,400	9.03	850,400	8.53				
5	Name: Mrs. Kanan S. Marwadi								
	At the beginning of the year	850,400	9.03	850,400	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,400	9.03	850,400	8.53				
6	Name: Mrs. Savitha K. Marwadi								
	At the beginning of the year	850,400	9.03	850,400	9.03				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51)				
	(Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	850,400	9.03	850,400	8.53				
7	Name: M/s. Marwadi Investment Private Limited								
	At the beginning of the year	1,370,000	14.55	1,270,000	14.55				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	549,963	4.70				
	(Increase in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	1,370,000	14.55	1,919,963	19.25				
8	Name: M/s. Marwadi Services Private Limited								
	At the beginning of the year	2,330,000	24.75	2,330,000	24.75				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	100,000	(0.38)				
	(Increase in Shares on account of transfer - 31-Mar-2020) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020								
	At the end of the year	2,330,000	24.75	2,430,000	24.37				

9	Name: M/s. Marwadi Metals and Minerals Private Limited				
	At the beginning of the year	250,800	2.66	250,800	2.66
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.15) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the end of the year	250,800	2.66	250,800	2.51

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year (As on April 01, 2019)		Cumulative Shareholding during the year (From April 01, 2019 to March 31, 2020)	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Name: Mrs. Gopi R. Jagani				
	At the beginning of the year	132,326	1.41	132,326	1.41
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0.00	0	(0.08) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the End of the year (or on the date of separation, if separated during the year)	132,326	1.41	132,326	1.33
2	Name: M/s. K. Uttamkai Exports Private Limited				
	At the beginning of the year	129,305	1.37	129,305	1.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0.00	7,658	0.00 (Increase in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the End of the year (or on the date of separation, if separated during the year)	129,305	1.37	136,963	1.37
3	Name: Mr. Pranav M. Shah				
	At the beginning of the year	100,000	1.06	100,000	1.06
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0.00	0.00	(1.06) (Decrease in Shares on account of transfer - 31-Mar-2020)
	At the End of the year (or on the date of separation, if separated during the year)	100,000	1.06	100,000	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and Key Managerial Personnel (KMP)	Shareholding at the beginning of the year (As on April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Name: Mr. Ketan H. Marwadi				
	At the beginning of the year	850,410	9.03	850,410	9.03
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the end of the year	850,410	9.0326	850,410	8.53
2	Name: Mr. Deven H. Marwadi				
	At the beginning of the year	850,410	9.03	850,410	9.03
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the end of the year	850,410	9.03	850,410	8.53
3	Name: Mr. Sandip H. Marwadi				
	At the beginning of the year	850,409	9.03	850,409	9.03
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the end of the year	850,409	9.03	850,409	8.53
4	Name: Mrs. Mira D. Marwadi				
	At the beginning of the year	850,400	9.03	850,400	9.03
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	0	0	0	(0.51) (Decrease in % of shareholding on account of Allotment of Shares on a Right basis - 04-Feb-2020)
	At the end of the year	850,400	9.03	850,400	8.53
5	Name: *Ms. Juhi D. Marwadi				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

*Ms. Juhi D. Marwadi was appointed as an Additional Director w.e.f. February 08, 2020.

6	Name: Mr. Jeet K. Marwadi				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	Name: Mr. Nareshkumar D. Jadeja				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8	Name: Mr. Kantilal K. Khakhar				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
*Mr. Kantilal K. Khakhar was re-appointed as an Independent Director for second term of 5 years.					
9	Name: Mr. Tushit G. Mangulkya				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
10	Name: Mr. Sanjay H. Thakrar (CFO)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on April 01, 2019)				
i) Principal Amount	3,701,256,212.00	-	-	3,701,256,212.00
ii) Interest due but not paid	8,542,682.00	-	-	8,542,682.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,709,798,894.00	-	-	3,709,798,894.00
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	1,134,026,704.00	-	-	1,134,026,704.00
Net Change	1,134,026,704.00	-	-	1,134,026,704.00
Indebtedness at the end of the financial year (As on March 31, 2020)				
i) Principal Amount	2,567,229,508.00	-	-	2,567,229,508.00
ii) Interest due but not paid	9,137,781.00	-	-	9,137,781.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,576,367,289.00	-	-	2,576,367,289.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Particulars of Remuneration	Managing Director Mr. Ketan H. Marwadi	Whole-time Director - 1 Mr. Deven H. Marwadi	Whole-time Director - 2 Mr. Sandip H. Marwadi	Whole-time Director - 3 Mr. Jeet K. Marwadi	Total Amount (in Rs.)
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,000,000.00	3,000,000.00	3,000,000.00	2,400,000.00	11,400,000.00
	(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	0	0	0	0	-
	- as % of profit	0	0	0	0	-
	- others, specify	0	0	0	0	-
5	Others, please specify	0	0	0	0	-
	Total (A)	3,000,000.00	3,000,000.00	3,000,000.00	2,400,000.00	11,400,000.00
	Ceiling as per the Act	9,290,240.08	9,290,240.08	9,290,240.08	9,290,240.08	37,160,960.32

(Above figures are net of GST)

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Independent Directors	Other Non-Executive Directors	Total Amount (in Rs.)
1	Name	Dr. Kantilal K. Khakhar	Mr. Nareshkumar D. Jadeja	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (B)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

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

Sr. No.	Particulars of Remuneration	Name	Designation	Total Amount (in Rs.)
		Not applicable	Mr. Tushit G. Mangulkya	Mr. Sanjay H. Thakrar
		CEO	CS	CFO
1	Gross salary	0	1,185,696.00	2,280,294.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	0	1,185,696.00	2,280,294.00
				8,465,990.00

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: (Not Applicable)

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

For, Marwadi Shares and Finance Limited

Ketan H. Marwadi

(Ketan H. Marwadi)
 Chairman & Managing Director
 DIN : 00089018
 Date : August 28, 2020



Particulars of loans, Guarantee or investments under section 186

1. **Details of Loans:** During the year under review, company has granted loans to its Wholly-owned Subsidiary namely M/s. Marwadi Commodity Broker Private Limited on various dates the details of which are as below:

(Amount in INR)

Sr. No.	Name of Company	Opening Balance	Total Loan granted	Total Loan repaid	Closing Balance	Purpose of Loan	Date of Special Resolution	Amount of interest
1.	Marwadi Commodity Broker Private Limited	Nil	31,974,800,000	31,974,800,000	Nil	Business	September 27, 2019	5,416,804

2. **Details of Investments:** Details of Investment made by the Company during the period under review as well as previous investments made are as detailed below:

(Amount in INR)

Sr. No.	Details of investee	Total
1.	Subsidiary Companies: i) Marwadi Commodity Broker Private Limited ii) Marwadi Stock Broking Limited iii) Marwadi International Securities (IFSC) Limited Associate Company: iv) Marwadi Chandarana Intermediaries Brokers Private Limited Partnership Firm v) Marwadi Enterprise Limited Liability Partnership vi) Marwadi Chandarana Enterprise LLP	140,241,795
2.	Other Companies	2,963,783

3. **Details of Guarantee/Security Provided:** During the year under review, no guarantee or security was provided by the Company. However, details of previous guarantee given or security provided are as below:

(Amount in INR)

Sr. No.	Date of providing security/ guarantee	Details of recipient	Amount	Purpose for which the security/ guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if required)	Commission
1	21.02.2018	Marwadi Commodity Broker Private Limited	100 Crores	Business purpose	28.11.2017	N.A.	No commission being Parent Company

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]

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 are as under, including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis – **NIL**

Sr. No.	Particulars	Details
(a)	Name (s) of the related party & nature of relationship	/
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the contracts/ arrangements/ transaction	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions'	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis :

(a)	Name (s) of the related party & nature of relationship	Marwadi Investment Private Limited, Group Company
(b)	Nature of contracts/arrangements/transaction	1. Memorandum of Understanding 2. Service Agreement
(c)	Duration of the Contracts/arrangements/transaction	3 Years
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	*Monthly Compensation : Rs. 25 per sq ft amounting to Rs. 6,25,000/- and Service Charges : Rs. 2,50,000/- excluding service tax
(e)	Date of approval by the Board	February 26, 2019 May 13, 2019
(f)	Amount paid as advances, if any	---

*Above figures are net of GST whenever applicable.

Apart from the above, details of related party transactions entered into by the Company during the financial year under review are disclosed in Note No. (q) of Notes to Accounts forming part of financial statements as on March 31, 2020.

Date: August 25, 2020

Place: Rajkot

By Order of the Board of
Marwadi Shares and Finance Limited

Ketan H. Marwadi

[Ketan H. Marwadi]
Chairman
DIN: 00088018





AUDITORS REPORT

MARWADI SHARES AND FINANCE LIMITED



Financial Year
2019-20

:AUDITORS:

MANDALIYA & ASSOCIATES

Chartered Accountants

303 Unicon Centre, Opp. Panchnath Temple, Near Limda Chowk, Rajkot-360001.

PAN: ARBMP4605P

Independent Auditors' Report

To The Members of
MARWADI SHARES AND FINANCE LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **MARWADI SHARES AND FINANCE LIMITED**, which comprise the balance sheet as at **31st March 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 (hereinafter referred to as "the 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 ("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 **31st March 2020**, and the profit and total comprehensive income, Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Act and the Rules there under, 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 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. There is no key audit matter to communicate in our report.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are 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 and financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued there under.

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

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.



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 Act, we give in the **Annexure "A"**, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
 - (e) on the basis of the written representations received from the directors as on **31st March 2020** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**.
 - (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 disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. the Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

For, MANDALIYA & ASSOCIATES
Chartered Accountants



Hiren Mandaliya
Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W
UDIN: 20137782AAAAKW3187

31st July 2020 at Rajkot

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2020, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In our opinion and according to the information and explanations given to us, the inventories have been verified by the management at reasonable intervals in relation to size of the Company and nature of business and no material discrepancies were noticed on verification. Further securities held in depository are verified by the management with confirmation statements received from them on a regular basis. The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statement from custodian with books of accounts.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, and limited liability partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans:
 - a) the terms and conditions of the loans granted are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b) The schedule of repayment of principal and payment of interest have been stipulated and the receipts of principal and interest have been regular and
 - c) There is no amount overdue for more than ninety days as at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted, investments made and guarantees or securities provided as applicable to it.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public and therefore, the provisions of the clause 3 (v) of the Order are 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) According to the information and explanations given to us in respect of statutory and other dues:
 - (a) According to the information and explanations given to us and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.



**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
 MARWADI SHARES AND FINANCE LIMITED**

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues were in arrears as at **31st March 2020** for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, on the basis the records produced before us by the Company, except for the cases stated below, there are no undisputed amounts payable in respect of income tax/sales tax/service tax/GST, which have not been deposited on account of any dispute.

Nature of Statute	Nature of Dues	Amount under dispute not yet deposited (Rs Lakhs)	Period to which the amount relates	Forum where Dispute is pending
The Finance Act, 1994	Service Tax	9.18	2008-2011	Under Appeal
The Finance Act, 1994	Service Tax	3.43	2011-2012	Under Appeal
The Finance Act, 1994	Service Tax	5.00	2012-2013	Under Appeal
The Finance Act, 1994	Service Tax	5.46	2013-2014	Under Appeal
The Finance Act, 1994	Service Tax	5.92	2014-2015	Under Appeal
The Finance Act, 1994	Service Tax	7.72	2015-2016	Under Appeal

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its due to financial institution. The Company does not have any borrowings from debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

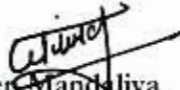


**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For, MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W

UDIN: 20137782AAAAKW3187

31st July 2020 at Rajkot

**ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

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 **Marwadi Shares and Finance Limited** ("the Company") as of **31st March 2020** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



**ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

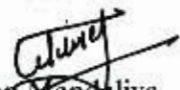
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 **31st March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W
UDIN: 20137782AAAAKW3187

31st July 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
BALANCE SHEET

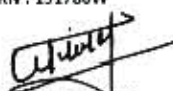
	Particulars	Note	As on	
			31 March 2020 (Rs)	31 March 2019 (Rs)
	ASSETS			
A	Non-current assets			
1	Property, plant and equipment	1	206,062,914	194,527,819
2	Other Intangible assets	2	7,763,552	4,810,687
3	Financial assets			
	Investments	3	143,205,578	137,095,235
	Other financial asset		-	-
4	Other non current assets	4	111,362,782	89,405,431
	Total non-current assets		468,394,826	425,839,172
B	Current assets			
1	Inventories	5	926,391,045	726,190,710
2	Financial assets			
	Current investments		-	-
	Trade receivables	6	4,019,945,052	2,715,166,793
	Cash and cash equivalents	7	3,952,281,152	3,271,762,713
	Bank balances	8	6,928,170,002	4,704,717,974
	Loans	9	6,115,163	5,588,121
	Other financial asset		-	-
3	Current tax asset	10	165,983,915	163,765,017
4	Other current assets	11	639,158,089	314,874,925
	Total current assets		16,638,044,418	11,902,066,253
	Total Assets		17,106,439,244	12,327,905,425
	EQUITY AND LIABILITIES			
C	Equity			
1	Equity share capital	12	99,724,810	94,148,600
2	Other equity	13	2,922,131,863	2,503,049,382
	Total Equity		3,021,856,673	2,597,197,982
D	Non-current liabilities			
1	Financial liabilities			
	Borrowings		-	-
	Other financial liabilities		-	-
2	Other non-current liabilities		-	-
3	Deferred tax liabilities (net)	14	3,243,400	3,356,000
4	Long-term provisions		-	-
	Total non-current liabilities		3,243,400	3,356,000
E	Current liabilities			
1	Financial Liabilities			
	Borrowings	15	2,567,229,508	3,701,256,212
	Trade payables	16	7,933,350,210	2,842,135,140
	Other financial liabilities	17	235,814,788	62,493,302
2	Other current liabilities	18	3,247,444,665	3,020,416,789
3	Current tax liabilities		-	-
4	Short term provisions	19	97,500,000	101,050,000
	Total current liabilities		14,081,339,171	9,727,351,443
	Total Equity and Liabilities		17,106,439,244	12,327,905,425

Summary of significant accounting policies and
Other Explanatory Notes and information

27

The accompanying notes referred to above which form an integral part of the Financial Statements


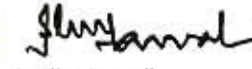
As per our report of even date
For MANDALIYA & ASSOCIATES
Chartered Accountants
FRN : 131786W


HIREN MANDALIYA
Proprietor
M.No. 137782
UDIN : 20137782AAAAXW3187



31st July 2020 at Rajkot

For and on behalf of the Board

Ketan Marwadi
Managing Director
DIN: 00088018

Sandip Marwadi
Whole-time Director
DIN: 00088051


Sanjay Thakur
CFO
CFA-14437


Tushit Mangulkya
Company Secretary
FCS-5286

31st July 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Standalone Statement of Profit and Loss

Particulars	Note	For the year Ended	
		31 March 2020 (Rs)	31 March 2019 (Rs)
Revenue			
Revenue from operations	20	1,846,889,084	1,693,740,569
Other income	21	835,309	40,346
		1,847,724,393	1,693,780,915
Expenses			
Employee benefits expense	22	408,657,079	353,865,507
Finance costs	23	409,150,797	203,678,254
Depreciation and amortisation expense	24	41,721,607	36,708,203
Other Administrative expenses	25	616,148,868	759,830,107
		1,475,678,351	1,354,082,071
Profit before Exceptional Items and Tax		372,046,042	339,698,844
Exceptional items		-	-
Profit before Tax from Continuing Operations		372,046,042	339,698,844
Tax expense	26	97,387,400	100,856,819
Profit (Loss) for the period from Continuing Operations		274,658,642	238,842,025
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Net profit for the year		274,658,642	238,842,025
Other Comprehensive Income			
A i) Items that will not be reclassified to profit and loss		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		274,658,642	238,842,025
Earnings per equity share Rs 10 per share			
Basic (Rs)		27.54	25.37
Diluted (Rs)		27.54	25.37

Summary of significant accounting policies and
Other Explanatory Notes and information

27

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date
For MANDALIYA & ASSOCIATES
Chartered Accountants
FRN : 131786W


HIREN MANDALIYA
Proprietor
M.No. 137782
UDIN : 20137782AAAAKW3187



For and on behalf of the Board


Ketan Marwadi
Managing Director
DIN: 00088018


Sanjay Thakrar
CFO
CFA-14437

31st July 2020 at Rajkot


Sandip Marwadi
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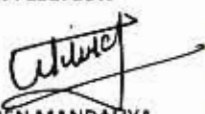

Tushit Mangukiya
Company Secretary
FCS-5286

31st July 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Standalone Cash Flow Statement

Particulars	For the year Ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	372,046,042	339,698,844
Adjustments for:		
Depreciation and amortisation expense	41,721,607	36,708,203
Gain on disposal of fixed assets (net)	(469,764)	(40,346)
Loss on disposal of fixed assets (net)	33,325	78,906
Operating profit before working capital changes	413,331,210	376,445,607
Movement in working capital		
Decrease/(Increase) in non-current assets	(21,957,351)	1,609,083
Decrease/(Increase) in Stock	(200,200,335)	(162,261,154)
Decrease/(Increase) in short term loan	(527,042)	(897,970)
Decrease/(Increase) in Other current assets	(324,283,164)	1,339,741,842
Decrease/(Increase) in Debtors	(1,304,778,259)	(183,784,836)
Decrease/(Increase) tax assets	-	(54,780)
Increase/(Decrease) in Other Liabilities	227,027,876	500,404,484
Increase/(Decrease) in Trade Payable	5,091,215,070	935,096,970
Cash flow from operating activities post working capital changes	3,879,828,005	2,806,299,246
Income tax paid (net)	(103,268,898)	(169,129,021)
Net cash flow from operating activities (A)	3,776,559,107	2,637,170,225
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(52,887,514)	(38,242,319)
Proceeds from sale/disposal of fixed assets	890,386	195,000
Purchase of intangible assets	(3,776,000)	(4,130,000)
(Increase)/Decrease in investments	(6,110,343)	(10,000,000)
Net cash flows used in investing activities (B)	(61,883,471)	(52,177,319)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of capital (including securities premium and share application money)	-	-
(Decrease)/Increase in Short-term borrowings	(1,134,026,704)	1,783,283,393
(Decrease)/Increase in other financial liabilities	173,321,486	17,752,077
(Buy back)/New issue of shares	5,576,210	(25,000,000)
Security Premium on Buy Back of Shares	-	(361,675,000)
Security Premium on New issue of Shares	144,423,839	-
Net cash used in financing activities (C)	(810,705,169)	1,414,360,470
Net change in cash and cash equivalents (A+B+C)	2,903,970,467	3,999,353,376
Cash and cash equivalents at the beginning of the year	7,976,480,687	3,977,127,311
Cash and cash equivalents at the end of the year	10,880,451,154	7,976,480,687

As per our report of even date
For MANDALIYA & ASSOCIATES
Chartered Accountants
FRN : 131786W


HIREN MANDALIYA
Proprietor
M.No. 137782
UDIN : 20137782AAAAKW3187



31st July 2020 at Rajkot

For and on behalf of the Board


Ketan Marwadi
Managing Director
DIN: 00088018


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Whole-time Director
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Sanjay Thakrar
CFO
CFA-14437


Tushit Mangukiya
Company Secretary
FCS-5286

31st July 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 1 : Property, plant and equipment

Sr. No.	Particulars	Gross Block			Depreciation			Net Block		
		As on 1 April 2019	Addition	Deduction	As on 31 March 2020	As on 1 April 2019	Depreciation for the year	Deduction	As on 31 March 2020	As on 31 March 2019
1	Cars	74,195,847	622,900	1,668,318	73,150,429	24,344,407	8,432,587	1,264,323	31,512,671	41,637,758
2	Other Vehicles	1,001,701	-	3,350	998,351	473,645	77,557	2,819	548,383	449,968
3	Office Premises	95,361,393	5,572,103	-	100,933,496	13,620,955	1,522,115	-	15,143,070	85,790,426
4	Furniture & Fixture	106,604,412	14,213,213	901,777	119,915,848	89,878,750	5,290,386	872,687	94,296,449	25,619,399
5	Computer Hardware	148,428,285	21,722,602	861,396	169,289,491	128,650,338	17,209,964	851,213	145,009,089	24,280,402
6	V-Sat & Server	23,983,531	7,064,660	1,10,660	30,937,531	16,456,986	2,141,336	1,10,660	18,487,662	12,449,869
7	Electric Fittings	26,592,597	18,704	414,051	26,197,250	22,257,039	1,117,451	409,899	22,964,591	3,232,659
8	Office Equipments & Others	72,710,674	3,673,332	385,177	75,998,829	58,668,501	5,107,076	379,181	63,396,396	12,602,433
	Total	548,878,440	52,887,514	4,344,729	597,421,225	354,350,621	40,898,472	3,890,782	391,358,311	206,062,914

Note 2 : Other Intangible assets

1	SKSE Membership Rights	500,000	-	-	500,000	500,000	-	500,000	-
2	OTCEI Membership Rights	2,500,000	-	-	2,500,000	2,500,000	-	2,500,000	-
3	Software	16,638,730	3,776,000	-	20,414,730	11,828,043	823,135	12,651,178	7,763,552
	Total	19,638,730	3,776,000	-	23,414,730	14,828,043	823,135	15,651,178	7,763,552
									4,810,687



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 3 : Investments

Particulars	Number of Shares		Amount Rs.	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
In Equity Instruments (at cost)				
In subsidiaries (unquoted)				
Marwadi Commodity Broker Private Limited (FV Rs. 100 each)	248,735	248,735	108,831,250	108,831,250
Marwadi Stock Broking Limited (FV Rs. 10 each)	1,000,000	1,000,000	10,000,000	10,000,000
Marwadi International Securities (IFSC) Limited (FV Rs. 10 each)	612,000	612,000	6,120,000	6,120,000
Sub Total (a)			124,951,250	124,951,250
In Associate (unquoted)				
Marwadi Chandarana Intermediaries Brokers Private Limited (FV Rs. 10 each)	1,000,000	-	10,000,000	10,000,000
Sub Total (b)			10,000,000	10,000,000
In Partnership				
Marwadi Enterprise			390,545	-
Marwadi Chandarana Enterprise LLP			4,900,000	-
Sub Total (c)			5,290,545	-
In other companies (quoted)				
	57,000	69,707	2,561,315	1,741,517
Sub Total (d)			2,561,315	1,741,517
In other companies (unquoted)				
	192,550	192,550	402,468	402,468
Sub Total (e)			402,468	402,468
Total Investment (a+b+c+d+e)			143,205,578	137,095,235



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 4 : Other Non Current Assets

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
	Long-term	Long-term
Advances recoverable in cash or kind		
Balances with statutory authorities	1,146,981	1,146,981
Other Advances	-	-
Other Deposits	110,215,801	88,258,450
Total	111,362,782	89,405,431

Note 5 : Inventories

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Valued at cost or market value, whichever lower		
Stock in trade	926,391,045	726,190,710
Total	926,391,045	726,190,710

Note 6 : Trade Receivables

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Outstanding for a period exceeding six months from the date they are due for payment		
From Clients	2,580,510	1,225,600
Sub total	2,580,510	1,225,600
Others - Considered Good		
From Clients	3,871,356,237	1,686,416,211
From Exchanges	142,548,758	1,022,509,196
From Sub Brokers	3,459,547	5,015,786
Sub total	4,017,364,542	2,713,941,193
Total	4,019,945,052	2,715,166,793



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 7 : Cash and Cash Equivalents

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Cash and cash equivalents		
Cash on hand	921,388	919,722
Balances with banks		
Current accounts	3,951,359,764	3,270,842,991
Total	3,952,281,152	3,271,762,713

Note 8 : Bank Balance

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Other than cash & Cash equivalents		
Fixed deposits having maturity for more than 3 months but less than 12 months	6,928,170,002	4,704,717,974
Total	6,928,170,002	4,704,717,974

Note 9 : Loans

Particulars	As on 31 March 2020	As on 31 March 2019
	Short-term	Short-term
Unsecured, considered good unless otherwise stated		
Security deposits		
- considered good	-	-
- considered doubtful	-	-
Loan to employees	6,115,163	5,588,121
Total	6,115,163	5,588,121



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 10 : Current Tax Assets

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
	Short-term	Short-term
Advance Income tax	40,000,000	97,500,000
TDS Receivable	125,983,915	66,210,237
TCS Receivable	-	54,780
Total	165,983,915	163,765,017

Note 11 : Other Current Assets

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
	Short-term	Short-term
Advances recoverable in cash or kind for value to be received		
Secured	-	-
Unsecured	215,508,845	4,691,145
Advances to suppliers	6,245,453	11,132,721
GST Receivable	2,928,008	1,864,393
Accrued Interest on Fixed Deposits	212,708,209	130,431,432
Prepaid expenses	54,922,982	37,455,234
Capital advances (For Purchase of Assets)	-	105,000,000
Deposits with exchanges	146,844,592	24,300,000
Total	639,158,089	314,874,925



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 12 : Equity Share Capital

Particulars	As on	As on
	31 March 2020 (Rs)	31 March 2019 (Rs)
Authorised capital 2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, subscribed and paid-up capital 94,14,860 Equity Shares of Rs. 10/- each, Fully Paid-up	9,41,48,600	11,91,48,600
Add : Face Value of New Issue of Shares	55,76,210	-
Less : Face Value of Buy back of Shares	-	(2,50,00,000)
99,72,481 Equity Shares of Rs. 10/- each, Fully Paid-up	9,97,24,810	9,41,48,600
Total	9,97,24,810	9,41,48,600

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As on 31 March 2020		As on 31 March 2019	
	No of shares	Rs in Lacs	No of shares	Rs in Lacs
Equity shares at the beginning of the year	94,14,860	941.49	1,19,14,860	1,191.49
Add : Issued during the year	5,57,621	55.76	-	-
Less : Buyback during the year	-	-	(25,00,000)	(250.00)
Equity shares at the end of the year	99,72,481	997.25	94,14,860	941.49

b) Rights/preferences/restrictions attached to equity shares

The Company has only one class of shares, i.e., equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend is paid in Indian Rupees. The final dividend per share, recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no dividend declared for the financial year 2019-20.

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

Particulars	As on 31 March 2020		As on 31 March 2019	
	No of shares	% holding	No of shares	% holding
Marwadi Services Private Limited	24,30,000	24.37%	23,30,000	24.75%
Marwadi Investment Private Limited	19,19,963	19.25%	13,70,000	14.55%
Mr Ketan H Marwadi	8,50,410	8.53%	8,50,410	9.03%
Mrs Savitha K Marwadi	8,50,400	8.53%	8,50,400	9.03%
Mr Deven H Marwadi	8,50,410	8.53%	8,50,410	9.03%
Mrs Mira D Marwadi	8,50,400	8.53%	8,50,400	9.03%
Mr Sandip H Marwadi	8,50,409	8.53%	8,50,409	9.03%
Mrs Kanan S Marwadi	8,50,400	8.53%	8,50,400	9.03%



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 13 : Other Equity

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Statement of profit and loss		
As per last balance sheet	1,243,172,150	1,104,330,125
Add : Net profit for the year	274,658,642	238,842,025
Less : Appropriations		
Transfer to general reserve	(100,000,000)	(100,000,000)
Equity dividend	-	-
Tax on equity dividend	-	-
Total appropriations	(100,000,000)	(100,000,000)
Net surplus in statement of profit and loss	1,417,830,792	1,243,172,150
Other reserve		
General reserve		
As per last balance sheet	1,200,000,000	1,100,000,000
Amount transferred from statement of profit and loss	100,000,000	100,000,000
Sub Total	1,300,000,000	1,200,000,000
Capital redemption reserve		
As per last balance sheet	43,964,340	18,964,340
Add: Face value of buy back of shares during the year	-	25,000,000
Sub Total	43,964,340	43,964,340
Securities premium account		
As per last balance sheet	15,912,892	402,587,892
Add : Premium received on New issue of shares	144,423,839	-
Less : Premium Paid on Buy Back of shares	-	(361,675,000)
Less : Face value of Buy Back of shares	-	(25,000,000)
Sub Total	160,336,731	15,912,892
Total	2,922,131,863	2,503,049,382

Note 14 : Deferred Tax Liabilities

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Opening Balance	3,356,000	4,060,000
Add / (Less) during the year	(112,600)	(704,000)
Total	3,243,400	3,356,000



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 15 : Short Term Borrowings

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Secured		
Bank Facility (Against FDR and Book Debts)	1,307,029,978	2,034,771,162
Loan Against Property	199,530	482,585,050
Short-term loans		
From banks	1,260,000,000	1,183,900,000
Total	2,567,229,508	3,701,256,212

Note 16 : Trade Payables

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Sundry Creditors		
Trade Payables due to other than micro and small enterprises	45,946,730	27,295,650
Sundry Creditors for Services		
Clients	6,666,234,929	2,732,245,667
Exchange	1,145,718,442	10,050,410
Sub broker payable	75,450,109	72,543,413
Total	7,933,350,210	2,842,135,140

Note 17 : Other Financial Liabilities

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Security deposits	186,465,580	62,290,700
Credit Balance in Bank current Account	49,349,208	202,602
Total	235,814,788	62,493,302



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 18 : Other Current Liabilities

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Statutory dues	84,005,718	63,449,312
Other Current liabilities	3,013,849,010	2,905,817,671
Expenses Payable	149,589,937	51,149,806
Total	3,247,444,665	3,020,416,789

Note 19 : Short term Provisions

Particulars	As on 31 March 2020 (Rs)	As on 31 March 2019 (Rs)
Provision for Income Tax	97,500,000	101,050,000
Total	97,500,000	101,050,000



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 20 : Revenue from Operations

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Operating Revenue		
Brokerage	536,220,736	616,166,752
Depository Receipts	23,180,053	29,968,530
Distribution Income	15,499,490	30,977,987
Advisory fees	21,906,815	23,996,071
Profit from Trading	563,312,451	393,188,469
Sub Total	1,160,119,545	1,094,297,809
Other Operating Revenue		
Interest on Fixed Deposit	420,570,165	287,230,266
Interest on Delayed Payment	105,149,762	102,882,528
Other Interest	154,335,273	203,402,314
Dividend	6,515,412	5,791,787
Miscellaneous Income	198,927	135,865
Sub Total	686,769,539	599,442,760
Total	1,846,889,084	1,693,740,569

Note 21 : Other Income

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Profit on disposal of fixed assets	469,764	40,346
Share of Profit from firm	365,545	-
Total	835,309	40,346

Note 22 : Employee Benefit Expenses

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Salaries, wages and bonus	403,082,122	348,528,221
Staff welfare	5,574,957	5,337,286
Total	408,657,079	353,865,507



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 23 : Finance Costs

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Interest on		
Bank Overdraft	280,382,244	149,214,532
Car Loans/Other Loans	1,944,579	5,786,176
Bank Guarantee Commission	121,402,021	47,090,580
Bank charges	5,421,953	1,586,966
Total	409,150,797	203,678,254

Note 24 : Depreciation & Amortisation

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Depreciation on		
Property, plant and equipment	41,721,607	36,708,203
Current assets	-	-
Amortisation on		
	-	-
Total	41,721,607	36,708,203



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 25 : Other Administrative Expenses

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Communication Expenses	9,592,226	12,928,173
Travelling Expenses	10,335,607	13,375,827
Exchange & Depository Charges	126,738,444	141,032,996
Business Development Expenses	17,767,209	65,228,082
Business Support Expenses	1,634,012	2,196,791
Computer Hardware & Software Maintenance	22,921,843	19,581,107
General Expenses	17,796,507	14,899,665
Conveyance Expenses	1,145,990	1,344,206
Legal & Professional Fees	84,342,337	95,138,555
Printing & Stationery Expenses	13,274,567	8,194,210
Auditors' Remuneration	145,200	145,200
Rent Rates & Taxes	49,311,359	43,512,327
Advertisement & Publicity	1,602,371	2,238,268
Donation	14,943,000	9,757,000
Sub-Brokerage	188,643,103	243,846,549
Distribution Passout	11,212,869	24,024,227
Repairs & Maintenance Expenses	6,738,726	14,169,790
Vehicle Expenses	4,838,196	4,040,532
Management Fees to Directors	11,400,000	26,940,000
Corporate Social Responsibility (CSR) Expenses	6,350,000	5,650,000
Transportation Expenses	134,650	134,920
Loss on Sale of Assets	33,325	78,906
Electricity Charges	15,247,327	11,372,776
Total	616,148,868	759,830,107

Note 26 : Tax Expenses

Particulars	For the year ended	
	31 March 2020 (Rs)	31 March 2019 (Rs)
Current tax	97,500,000	101,050,000
Short/excess provision for income tax earlier years	-	510,819
Deferred tax	(112,600)	(704,000)
Total	97,387,400	100,856,819



MARWADI SHARES AND FINANCE LIMITED

Note: 27

NOTES TO FINANCIAL STATEMENTS

1 Company Overview and significant Accounting Policies

1.1 Description of business

The company is closely held company domiciles in india and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at "Marwadi Financial Plaza" Nana Mava Main Road, Off. 150 feet Ring road, Rajkot – 360 001. The Company is engaged broking business of shares, Securities, commodity and other ancillary services and also deals in Shares, Securities and commodities trading through exchange.

1.2 Basic of preparation of Financial Statement

The financial statement of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Act to be read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards)Amendment Rules,2016.

The financial statements have been prepared on the historical cost basis.

1.3 Composition of financial statements

The financial statements are drawn up in INR, the functional currency of the company, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of profit and loss
- Statement of Cash Flow
- Statement of Changes in Equity

1.4 Significant Accounting Policies and explanatory notes

I Significant Accounting Policies

a) Revenue recognition

Brokerage income is recognized on the trade date of transaction upon confirmation of the transaction by the stock exchange. Income from depository services are recognized on the basis of agreement entered into with clients and when the right to receive the income is established. Commission income from financial products distribution is recognized when the right to receive the income is established, interest income from margin funding is recognised on loans given to clients on time proportion basis.

Interest income recognised on accrual basis. Dividend income is accounted for when the right to receive the income is established. The Profit/(Loss) earned on Sale of Stock-in-trade are recognised on trade date basis.

All revenues are disclosed net of Credit notes and GST.



MARWADI SHARES AND FINANCE LIMITED

b) Employee benefits

- i) Provident Fund is accounted on accrual basis with Contribution to the Employees' Provident Fund administered by the Central Government.
- ii) Contribution to Life Insurance Corporation of India towards Gratuity is made on the basis of Actuarial Valuation carried out by the corporation on the basis of the information provided by the Company.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation.

Components of an asset are separated where their value is significant in relation to the total value of the asset and where those components have difference useful lives to the remainder of the asset.

The Cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

d) Intangible Assets

Intangible assets are stated at cost less provisions for amortization and impairments. Software licenses fees are charged to statement of profit and loss when incurred.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between disposal proceeds and carrying amount of the asset and are recognised as income or expenses in the statement of Profit and Loss.

e) Depreciation/Amortisation on Property, Plant & Equipment and Investment Properties

Depreciation/Amortisation on Property, Plant and Equipment is charged on a Straight Line Basis so as to write off the original cost of the assets over the useful lives. The useful life of the fixed assets has been adopted based on Technical Evaluation, Company policy and in the other cases, as prescribed under the Companies Act, 2013. Details for the same are as under:



MARWADI SHARES AND FINANCE LIMITED

Class of Assets

Sr. No.	Class of Assets	Range of Useful life (In Years)
1	Building	60
2	Computer	3
3	Furniture & Fixtures	10
4	Office Equipment	5
5	Motor Car	8
6	Vehicles	10
7	Electrical Fitting	10
8	VSAT/Servers	6
9	Intangible Assets	10

f) Capital work-in-Progress

Assets under construction wherein assets are not ready for use in the manner as intended by the management are shown as capital work-in -Progress.

g) Impairments of non-current assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

h) Inventories

All Inventories are valued at the lower of cost or net realizable value.



MARWADI SHARES AND FINANCE LIMITED

i) Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

j) Cash and Cash equivalents

Cash and cash equivalents include cash at bank and cash in hand.

k) Borrowing Costs

Borrowing costs directly attributable to the acquisition and/or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred.

l) Taxation

i) Current income tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/reserve. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws assets and current tax liabilities. Company is not offsetting current tax assets and current liabilities, both are shown in balance sheet.

ii) Deferred tax

Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the tax rates that have enacted or substantively enacted after the balance sheet date, to the extent that the timing difference are expected to crystallize as deferred tax or benefit in the profit and loss account and as deferred tax assets/liabilities in the balance sheet.

m) Foreign Currency Transactions

During the year company has paid US\$ 90 amounting Rs.6318/- paid to NYSE Market (DE), INC for Professional Service.



MARWADI SHARES AND FINANCE LIMITED

n) Provisions, Contingent liabilities and Assets

i) Provisions

Provision are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. So far company is not making any provision for contingent liabilities. All contingent liabilities have been disclosed at their estimated value in notes to Accounts.

iii) Contingent Assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

o) Key accounting judgments, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates are often based on complex judgments and assumptions that management believes to be reasonable, but estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

p) Investment

Investments valued at cost of acquisition.



MARWADI SHARES AND FINANCE LIMITED

q) Explanatory notes

i) Related party transaction for the year ended 31st March

Sr. No	Particulars	2020	2019
1	<u>Management Services Fees Paid to Directors</u>		
	Mr. Ketan H Marwadi	30,00,000	88,20,000
	Mr. Deven H Marwadi	30,00,000	88,20,000
	Mr. Sandeep H Marwadi	30,00,000	88,20,000
	Mr. Jeet K Marwadi	24,00,000	4,00,000
	Mr. Naresh Jadeja	-	40,000
	Mr. Kantilal K Khakhar	-	40,000
2	<u>Office Rent Paid to</u>		
	Marwadi Investment Private Limited	75,00,000	1,22,11,420
	Mrs Savitha K. Marwadi	1,65,000	1,80,000
3	<u>Building Service Charges Paid to</u>		
	Marwadi Investment Private Limited	30,00,000	1,06,11,420
	TOTAL	2,20,65,000	4,99,42,840

- Above figures are net of GST whenever applicable.

ii) Break up of net deferred tax liability for the year ended 31st March

Particulars	2020	2019
Deferred Tax Liability		
Difference between book and tax depreciation	33,56,000	40,60,000
Deferred Tax Assets		
Provision	(1,12,600)	(7,06,000)
Net Deferred Tax Liability	32,43,400	33,56,000

iii) Auditor remuneration for the year ended 31st March

Particulars	2020	2019
a) As Auditor	145,200	145,200
b) As advisor, or in any other capacity, in respect of taxation matters	-	-
c) In any other manner	-	-
TOTAL	145,200	145,200



MARWADI SHARES AND FINANCE LIMITED

iv) **Contingent liabilities**

Bank guarantee issued by the banks on behalf of company to the stock exchanges are Rs. 1173.20 Crore (Previous Year Rs. 811.72 Crore)

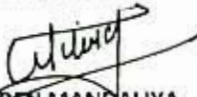
v) The Company has been granted exemption from registration with Reserve Bank of India under section 45IA of RBI Act, 1934, vide RBI Letter No. DNBS (AH) 7685/R1395/97-98 dated 23.03.1998.

vi) Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date

For MANDALIYA & ASSOCIATES
Chartered Accountants

FRN: 131786W



HIREN MANDALIYA

Proprietor

M.No. 137782

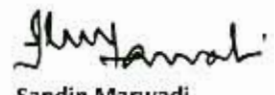
UDIN : 20137782AAAAKW3187



For and on behalf of the Board



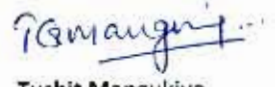
Ketan Marwadi
Managing Director
DIN: 00088018



Sandip Marwadi
Whole-time Director
DIN: 00088051



Sanjay Thakrar
CFO
CFA-14437



Tushit Mangukiya
Company Secretary
FCS-5286

31st July 2020 at Rajkot

31st July 2020 at Rajkot

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2020

Part - A: Subsidiaries

(Amount in INR)

1	Sr. No.	1	2	3	4	5
2	Name of the Subsidiary Company	Marwadi Commodity Broker Private Limited	Marwadi Stock Broking Limited	Marwadi International Securities (IFSC) Limited	Marwadi Finlease Private Limited	Marwadi Bullions Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	The Date since when subsidiary was acquired	July 24, 2004	November 08, 2009	January 24, 2017	October 27, 2007	January 23, 2012
6	Share Capital	Rs. 24,873,500 (248,735 Equity Shares of Rs. 100/- each fully paid up)	Rs. 10,000,000 (1,000,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 12,000,000 (1,200,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 310,22,700 (3,102,270 Equity Shares of Rs. 10/- each fully paid up)	Rs. 120,000 (1,200 Equity Shares of Rs. 100/- each fully paid up)
7	Reserves & Surplus	396,426,700	4,345,719	---	438,849,036	717,120
8	Total Assets	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
9	Total Liabilities	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
10	Investments	183,466,686	---	---	---	---
11	Turnover (Operating Income)	37,898,598	---	---	342,380,291	964,163
12	Profit/(Loss) before taxation	21,661,407	1,192,120	---	59,828,858	883,071
13	Provision for taxation	5,490,000	325,000	---	15,058,000	170,000
14	Profit/(Loss) after taxation	16,171,407	867,120	---	44,770,858	713,071
15	Proposed Dividend	---	---	---	---	---
16	% of shareholding	100% of Equity capital	100% of Equity capital	51% of Equity capital	Nil*	Nil*

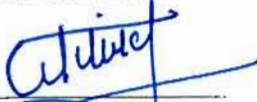
* Step-down subsidiaries through Marwadi Commodity Broker Private Limited. Hence there is no shareholding.

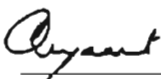
Notes:


1. No subsidiary, which has not commence its business.
2. No subsidiaries have been liquidated or sold during the year.


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
DIN: 00088018


Sandip H. Marwadi
Whole-time Director
DIN: 00088051


Sanjay H. Thakrar
CFO
CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot



Part - B: Associates and Joint Ventures
Statement pursuant to section 129(3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures

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

Part - B: Associate

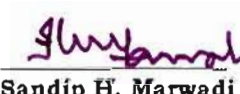
1	Sr. No.	1	2	3
2	Name of the Associate	Marwadi Chandarana Intermediaries Brokers Private Limited [MCIBPL]	Marwadi Chandarana Enterprise LLP [MCE LLP]	Marwadi Enterprise [Partnership Firm]
3	Latest audited Balance Sheet Date	March 31, 2020	March 31, 2020	March 31, 2020
4	Shares of Associate/Joint Ventures held by the company on the year end			
	No. of Shares	1,000,000 Equity Shares of Rs. 10 each	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture	Rs. 10,000,000/-	Rs. 4,900,000	Rs. 390,545 as on March 31, 2020
	Extend of Holding %	50%	49%	25%
5	Description of how there is significant influence	MSFL holds 50% equity shares of MCIBPL	MSFL contributes 49% of total capital of MCE-LLP	MSFL contributes 25% of total capital of Marwadi Enterprise
6	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
7	Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 7,904,621.5	Rs. 4,900,000/-	Rs. 3,84,295/-
8	Profit / Loss for the year	Rs. 30,652/-	Rs. 0/-	Rs. 1,437,180/-
	i. Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 3,65,545/-
	ii. Not Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 10,71,635/-


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
DIN: 00088018


Sandip H. Marwadi
Whole-time Director
DIN: 00088051


Sanjay H. Thakrar
CFO
CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot





AUDITORS' REPORT

MARWADI SHARES AND FINANCE LIMITED



CONSOLIDATED FINANCIAL STATEMENTS
Financial Year 2019-20

:AUDITOR:

MANDALIYA & ASSOCIATES

Chartered Accountants

303 Unicon Centre, Opp. Panchnath Temple, Near Limda Chowk, Rajkot-360001.

PAN: ARBMP4605P

Independent Auditors' Report

To The Members of
Marwadi Shares and Finance Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **MARWADI SHARES AND FINANCE LIMITED (the Holding Company)** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, which comprise the Consolidated Balance Sheet as at **31st March 2020** and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the Consolidated state of affairs (consolidated financial position) of the Group and its associates as at **31st March 2020**, and its Consolidated Profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity 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 Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates 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 that there are no key audit matters to be communicated in our report.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued there under. The Holding Company's Board of Directors is also responsible for ensuring accuracy of record including financial information considered necessary for the preparation of consolidated Ind AS financial statements.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Group's financial reporting process.

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, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.



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.

Other Matter

We did not audit of the financial statements of one subsidiary and whose financial statements reflect total Assets of Rs. 50,61,40,031/- and as at 31st March, 2020, total revenue of Rs. 34,23,80,291/- and net cash outflows amounting to Rs. 31,43,916/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of the subsidiary are based solely on the report of the other auditor.


Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditor on separate financial statements, 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 and the report of the other auditor;
 - (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
 - (e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditor, none of the directors of the Group companies, are disqualified as on 31st March, 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 holding company and its subsidiary companies, associate 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 and based on the consideration of the report of the other auditor on separate financial statements;



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
- ii. The Group deed not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. there were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

For MANDALIYA & ASSOCIATES
Chartered Accountants



Hiren Mandaliya
Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W
UDIN: 20137782AAAAMK3621

August 25th, 2020 at Rajkot

**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF
MARWADI SHARES AND FINANCE LIMITED ON THE CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2020**

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 **Marwadi Shares and Finance Limited** (the Holding Company) and its subsidiaries (both together referred as 'Group'), its associates for the year ended **31st March, 2020**, We have audited the internal financial controls over financial reporting of the holding company and its five subsidiary companies, its one associate company which are companies covered under the Act and one unincorporated body, as at that date.

Management's Responsibility for Internal Financial Controls

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 Act.

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and based on the consideration of the report of the other auditor on internal financial controls over financial reporting, the Group and its associates, 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 **31st March 2020**, based on the internal control over financial reporting criteria established by the Group 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 MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W

UDIN: 20137782AAAAMK3621

August 25th, 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
CONSOLIDATED BALANCE SHEET

	Particulars	Note	At at 31st March, 2020	At at 31st March, 2019
	ASSETS			
A	Non-current assets			
1	Property, plant and equipment	1	20,68,29,747	19,46,48,810
2	Other intangibles assets	2	1,02,97,116	71,34,691
3	Goodwill (on consolidation)		23,63,40,536	23,63,40,536
4	Financial assets			
	Investments	3	1,82,54,328	1,21,43,985
	Other financial asset	--	-	-
5	Other non current assets	4	11,69,67,657	9,30,62,135
	Total non-current assets		58,86,89,384	54,33,30,157
B	Current assets			
1	Inventories	5	92,63,91,045	72,61,90,710
2	Financial assets			
	Current Investments		-	-
	Trade receivables	6	4,36,52,66,723	2,85,02,75,444
	Cash and cash equivalents	7	4,06,47,25,984	3,63,35,94,253
	Bank balances	8	6,96,71,48,964	4,83,38,67,336
	Loans	9	63,00,459	59,03,156
	Other financial asset	-	-	-
3	Current tax asset	10	23,00,75,694	22,72,60,991
4	Other current assets	11	1,07,46,12,463	93,54,38,932
	Total current assets		17,63,45,21,332	13,21,25,30,822
	Total Assets		18,22,32,10,716	13,75,58,60,979
	EQUITY AND LIABILITIES			
C	Equity			
1	Equity share capital	12	9,97,24,810	9,41,48,600
2	Other equity	13	3,76,21,19,049	3,28,18,82,746
	Total Equity before non controlling interest		3,86,18,43,859	3,37,60,31,346
3	Non controlling interest		62,90,189	69,75,473
	Total Equity		3,86,81,34,048	3,38,30,06,819
D	Non-current liabilities			
1	Financial liabilities			
	Borrowings	-	-	-
	Other financial liabilities	-	-	-
2	Other non-current liabilities	-	-	-
3	Deferred tax liabilities (net)	14	34,81,400	36,04,000
4	Long-term provisions	15	42,15,039	42,15,039
	Total non-current liabilities		76,96,439	78,19,039
E	Current liabilities			
1	Financial liabilities			
	Borrowings	16	2,56,72,29,508	3,70,12,56,212
	Trade payables	17	7,93,60,82,183	2,86,36,14,646
	Other financial liabilities	18	24,80,45,640	31,14,43,873
2	Other current liabilities	19	3,47,74,69,898	3,36,99,94,390
3	Current tax liabilities	--	-	-
4	Short term provisions	20	11,85,53,000	11,87,26,000
	Total current liabilities		14,34,73,80,229	10,36,50,35,121
	Total Equity and Liabilities		18,22,32,10,716	13,75,58,60,979

Summary of significant accounting policies and

Other Explanatory Notes and Information

The accompanying notes referred to above which form an integral part of the Consolidated Financial Statements

As per our report of even date
For MANDALIYA & ASSOCIATES
Chartered Accountants
FRN : 131786W

(Signature)
HIMAN MANDALIYA
Proprietor
M.No. 137782
UDIN : 20137782AAAAAMK3621



For and on behalf of the Board

(Signature) *(Signature)*
Nutan Marwadi Sandip Marwadi
Managing Director Whole-time Director
DIN: 00088018 DIN: 00088051

(Signature) *(Signature)*
Sanjay Thakral Tushit Mangukliya
CFO Company Secretary
CFA-14437 FCS-5286
August 25th, 2020 at Rajkot

August 25th, 2020 at Rajkot



MARWADI SHARES AND FINANCE LIMITED

Statement of Consolidated Profit and Loss

Particulars	Note	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Revenue			
Revenue from operations	21	2,51,53,39,034	2,23,71,46,812
Other income	22	8,90,655	3,17,465
		2,51,62,29,689	2,23,74,64,277
Expenses			
Employee benefits expense	23	41,77,68,754	36,18,30,589
Finance costs	24	95,89,07,296	62,11,15,938
Depreciation and amortisation expense	25	4,20,21,676	3,72,41,906
Other Administrative expenses	26	64,19,20,465	80,34,50,428
		2,06,06,18,191	1,82,36,38,861
Profit before Exceptional Items and Tax		45,56,11,498	41,38,25,416
Exceptional Items	-	-	5,67,430
Profit before Tax from Continuing Operations		45,56,11,498	41,32,57,986
Tax Expense	27	11,84,30,400	11,85,46,427
Profit (Loss) for the period from Continuing Operations		33,71,81,098	29,47,11,559
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Net profit for the year		33,71,81,098	29,47,11,559
Other Comprehensive Income			
A i) Items that will not be reclassified to profit and loss		-	-
ii) IT relating to items that will not be reclassified to P/L		-	-
B i) Items that will be reclassified to profit or loss		-	-
ii) IT relating to items that will be reclassified to P/L		-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		33,71,81,098	29,47,11,559
(Profit) / loss attributable to non controlling interest		(3,49,405)	(47,57,040)
Profit for the year attributable to shareholders of the company		33,68,31,693	28,99,54,519
Earnings per equity share			
Basic (Rs)		33.78	30.80
Diluted (Rs)		33.78	30.80

Summary of significant accounting policies and

Other Explanatory Notes and Information

The accompanying notes referred to above which form an Integral part of the Consolidated Financial Statements

As per our report of even date

For MANDALIYA & ASSOCIATES

Chartered Accountants

FRN : 131786W

Hiren Mandaliya
HIREN MANDALIYA

Proprietor

M.No. 137782

UDIN : 20137782AAAAMK3621



For and on behalf of the Board

Ketan Marwadi

Ketan Marwadi
Managing Director
DIN: 00088018

Sandip Marwadi

Sandip Marwadi
Whole-time Director
DIN: 00088051

Sanjay Thakrar

Sanjay Thakrar
CFO
CFA-14437

Tushit Mangukia

Tushit Mangukia
Company Secretary
FCS-5286

August 25th, 2020 at Rajkot

August 25th, 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Consolidated Cash Flow Statement

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	45,56,11,498	41,38,25,416
Adjustments for:		
Depreciation and amortisation expense	4,20,21,676	3,72,41,906
Gain on disposal of fixed assets	(4,69,764)	(40,346)
Loss on disposal of fixed assets	33,325	78,906
Operating profit before working capital changes	49,71,96,735	45,11,05,882
Movement in working capital		
Decrease/(Increase) In non-current assets	(2,39,05,522)	15,99,664
Decrease/(Increase) In Inventories	(20,02,00,335)	15,57,43,418
Decrease/(Increase) In short term loan	(3,97,303)	(9,01,966)
Decrease/(Increase) in Other current assets	(14,20,27,414)	1,16,18,67,303
Decrease/(Increase) in Debtors	(1,51,21,24,787)	(14,56,57,013)
Decrease/(Increase) tax assets	(2,12,611)	(54,780)
Increase/(Decrease) in Other Liabilities	(9,84,48,390)	72,36,67,895
Increase/(Decrease) in Trade Payable	5,07,24,67,537	93,96,51,043
Cash flow from operating activities post working capital changes	3,59,23,47,910	3,28,70,21,446
Income tax paid	(12,33,94,618)	(22,76,91,651)
Net cash flow from operating activities (A)	3,46,89,53,292	3,05,93,29,795
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,40,42,985)	(3,82,42,319)
Proceeds from sale/disposal of fixed assets	8,90,386	1,95,000
Purchase of intangible assets	(37,76,000)	(41,30,000)
(Increase)/Decrease in Investments	(61,10,343)	(1,00,00,000)
Net cash flows used in investing activities (B)	(6,30,38,942)	(5,21,77,319)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of capital (including securities premium and share application money)	-	-
(Decrease)/Increase in Short-term borrowings	(1,13,40,26,704)	1,57,88,60,305
(Decrease)/Increase in other financial liabilities	14,25,25,664	2,38,43,219
(Buy back)/fresh issue of shares	55,76,210	(2,50,00,000)
Security Premium on fresh issue of shares/(Buy Back)	14,44,23,839	(36,16,75,000)
Net cash used in financing activities (C)	(84,15,00,991)	1,21,60,28,524
Increase in cash and cash equivalents (A+B+C)	2,56,44,13,359	4,22,31,81,000
Cash and cash equivalents at the beginning of the year	8,46,74,61,589	4,24,42,80,589
Cash and cash equivalents at the end of the year	11,03,18,74,948	8,46,74,61,589

Summary of significant accounting policies and
Other Explanatory Notes and Information

The accompanying notes referred to above which form an integral part of the Consolidated Financial Statements

As per our report of even date
For MANDALIYA & ASSOCIATES
Chartered Accountants
FRN : 131786W


HIREN MANDALIYA
Proprietor
M.No. 137782
UDIN : 20137782AAAAAMK3621



August 25th, 2020 at Rajkot

For and on behalf of the Board

 
Ketan Marwadi Sandip Marwadi
Managing Director Whole-time Director
DIN: 00088018 DIN: 00088051

 
Sanjay Thakkar Tushit Mangukiya
CFO Company Secretary
CFA-14437 FCS-5286

August 25th, 2020 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Notes to the Consolidated Financial Statements

Note 1 : Property, plant and equipment

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		As on 1 April 2019	Addition	Deduction	As on 31 March 2020	As on 1 April 2019	Depreciation for the year	Deduction	As on 31 March 2020	As on 31 March 2019	
1	Cars	7,41,95,847	6,22,900	16,68,318	7,31,50,429	2,43,44,407	84,32,587	12,64,323	3,15,12,671	4,16,37,758	4,98,51,440
2	Other Vehicles	10,01,701	-	3,350	9,98,351	4,73,645	77,557	2,819	5,48,383	4,49,968	5,28,056
3	Office Premises	9,53,61,393	55,72,103	-	10,09,33,496	1,36,20,955	15,22,115	-	1,51,43,070	8,57,90,426	8,17,40,438
4	Furniture & Fixture	10,68,88,665	1,44,64,669	9,01,777	12,04,51,557	9,01,40,647	52,91,744	8,72,687	9,45,59,704	2,58,91,853	1,67,48,018
5	Computer Hardware	14,89,17,770	2,19,23,235	8,61,396	16,99,79,609	12,91,15,349	1,72,09,964	8,51,213	14,54,74,100	2,45,05,509	1,98,02,421
6	V-Sat & Server	2,47,20,171	70,64,660	1,10,660	3,16,74,171	1,71,56,794	21,41,336	1,10,660	1,91,87,470	1,24,86,701	75,63,377
7	Electric Fittings	2,66,44,660	18,704	4,14,051	2,62,49,313	2,22,79,168	11,22,397	4,09,899	2,29,91,666	32,57,647	43,65,492
8	Office Equipments & Others	7,27,92,086	38,76,714	3,85,177	7,62,83,623	5,87,42,518	51,10,401	3,79,181	6,34,73,738	1,28,09,885	1,40,49,568
	Total	55,05,22,293	5,35,42,985	43,44,729	59,97,20,549	35,58,73,483	4,09,08,101	38,90,782	39,28,90,802	20,68,29,747	19,46,48,810

Note 2 : Other Intangible assets

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		As on 1 April 2019	Addition	Deduction	As on 31 March 2020	As on 1 April 2019	Depreciation for the year	Deduction	As on 31 March 2020	As on 31 March 2019	
1	SKSE Membership Rights	5,00,000	-	-	5,00,000	5,00,000	-	-	5,00,000	-	-
2	OTCEI Membership Rights	25,00,000	-	-	25,00,000	25,00,000	-	-	25,00,000	-	-
3	Software	1,66,38,730	42,76,000	-	2,09,14,730	1,18,28,043	8,23,135	-	1,26,51,178	82,63,552	48,10,687
4	Shop Rights	36,30,500	-	-	36,30,500	13,06,496	2,90,440	-	15,96,936	20,33,564	23,24,004
	Total	2,32,69,230	42,76,000	-	2,75,45,230	1,61,34,539	11,13,575	-	1,72,48,114	1,02,97,116	71,34,691



MARWADI SHARES AND FINANCE LIMITED**Notes to the Consolidated Financial Statements****Note 3 : Investments**

Particulars	At at 31st March, 2020	At at 31st March, 2019
In Associates		
Marwadi Chandarana Intermediaries Broker Pvt Ltd (FV Rs. 10 each)	1,00,00,000	1,00,00,000
Marwadi Enterprise	3,90,545	-
Marwadi Chandarana Enterprises LLP	49,00,000	-
Sub Total (a)	1,52,90,545	1,00,00,000
In other companies (quoted)	25,61,315	17,41,517
Sub Total (b)	25,61,315	17,41,517
In other companies (unquoted)	4,02,468	4,02,468
Sub Total (c)	4,02,468	4,02,468
Total Investment (a+b+c)	1,82,54,328	1,21,43,985



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 4 : Other Non Current Assets

Particulars	At at	At at
	31st March, 2020	31st March, 2019
	Long-term	Long-term
Advances recoverable in cash or kind		
Balances with statutory authorities	11,46,981	11,46,981
Other Deposits	11,15,67,082	8,82,95,250
Provision for Doubtful debts	27,47,640	27,47,640
Preliminary Expenses	15,05,954	8,72,264
Total	11,69,67,657	9,30,62,135

Note 5 : Inventories

Particulars	At at	At at
	31st March, 2020	31st March, 2019
Valued at cost or market value, whichever lower		
Stock in trade	92,63,91,045	72,61,90,710
Total	92,63,91,045	72,61,90,710

Note 6 : Trade Receivables

Particulars	At at	At at
	31st March, 2020	31st March, 2019
Outstanding for a period exceeding six months from the date they are due		
From Clients	31,43,510	14,44,200
Sub total	31,43,510	14,44,200
Others Consider Good		
From Clients	4,08,52,03,066	1,68,94,34,119
From Exchanges	27,31,85,041	1,15,40,57,628
From Sub brokers	37,35,106	53,39,497
Sub total	4,36,21,23,213	2,84,88,31,244
Total	4,36,52,66,723	2,85,02,75,444



MARWADI SHARES AND FINANCE LIMITED**Notes to the Consolidated Financial Statements****Note 7 : Cash and Cash Equivalents**

Particulars	At at 31st March, 2020	At at 31st March, 2019
Cash and cash equivalents		
Cash on hand	9,66,093	9,64,196
Balances with banks		
Current accounts	4,06,37,59,891	3,63,26,30,057
Total	4,06,47,25,984	3,63,35,94,253

Note 8 : Bank Balance

Particulars	At at 31st March, 2020	At at 31st March, 2019
Other than cash & cash equivalents		
Fixed deposits maturity for more than 3 months but less than 12 months	6,96,71,48,964	4,83,38,67,336
Total	6,96,71,48,964	4,83,38,67,336

Note 9 : Loans

Particulars	At at 31st March, 2020	At at 31st March, 2019
	Short-term	Short-term
Unsecured, considered good unless otherwise stated		
Security deposits		
- considered good	-	-
- considered doubtful	-	-
Loan to employees	63,00,459	59,03,156
Total	63,00,459	59,03,156



MARWADI SHARES AND FINANCE LIMITED**Notes to the Consolidated Financial Statements****Note 10 : Current Tax Assets**

Particulars	At at	At at
	31st March, 2020	31st March, 2019
	Short-term	Short-term
Advance Income tax	4,02,66,508	11,35,66,508
TDS Receivable	18,98,09,186	11,36,39,703
TCS Receivable	-	54,780
Total	23,00,75,694	22,72,60,991

Note 11 : Other Current Assets

Particulars	At at	At at
	31st March, 2020	31st March, 2019
	Short-term	Short-term
Advances recoverable in cash or kind		
Secured	-	-
Unsecured	63,38,72,852	60,64,73,675
Advances to suppliers	65,95,840	1,12,24,012
GST / VAT Receivable	34,83,339	19,82,767
Accrued Interest on Fixed Deposits	21,30,19,508	13,17,40,457
Prepaid expenses	5,49,22,982	3,86,43,021
Capital advances	-	10,50,00,000
Deposits with exchanges	16,27,17,942	4,03,75,000
Total	1,07,46,12,463	93,54,38,932



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 12 : Equity Share Capital

Particulars	At at 31st March, 2020	At at 31st March, 2019
Authorised capital		
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, subscribed and paid-up capital		
9,41,48,600 Equity Shares of Rs. 10/- each, Fully Paid-up	9,41,48,600	11,91,48,600
Less : Face Value of Buy back / fresh issue of shares	55,76,210	(2,50,00,000)
99,72,481 Equity Shares of Rs. 10/- each, Fully Paid-up	9,97,24,810	9,41,48,600
Total	9,97,24,810	9,41,48,600

Note 13 : Other Equity

Particulars	At at 31st March, 2020	At at 31st March, 2019
Statement of profit and loss		
As per last balance sheet	1,73,15,29,675	1,54,44,53,244
Add : Net profit for the year	33,68,31,693	28,99,54,519
Add : Excess / (Short) provisions of earlier year tax	(20,53,916)	-
Less : Appropriations		
Transfer to general reserve	(10,00,00,000)	(10,00,00,000)
Adjustment of non controlling interest	10,34,689	36,61,567
Transfer to Special Reserve u/s. 45IC of RBI Act, 1934	(89,54,172)	(65,39,655)
Equity dividend	-	-
Tax on equity dividend	-	-
Total appropriations	(10,79,19,483)	(10,28,78,088)
Net surplus in statement of profit and loss	1,95,83,87,969	1,73,15,29,675
Other reserve		
General reserve		
As per last balance sheet	1,20,00,00,000	1,10,00,00,000
Amount transferred from statement of profit and loss	10,00,00,000	10,00,00,000
Sub Total	1,30,00,00,000	1,20,00,00,000
Capital redemption reserve		
As per last balance sheet	4,39,64,340	1,89,64,340
Add: Face value of buy back of shares during the year	-	2,50,00,000
Sub Total	4,39,64,340	4,39,64,340
Securities premium account		
As per last balance sheet	25,92,14,142	64,58,89,142
Adds : Premium Received on fresh issue of shares	14,44,23,839	-
Less : Premium Paid on buy back of shares	-	(36,16,75,000)
Less : Face value of buy back of shares	-	(2,50,00,000)
Sub Total	40,36,37,981	25,92,14,142
Reserve U/S 45IC of RBI Act,1934		
As per last balance sheet	4,71,74,587	4,06,34,934
Add : Amount transferred from statement of profit & loss	89,54,172	65,39,655
Sub Total	5,61,28,759	4,71,74,589
Total	3,76,21,19,049	3,28,18,82,741



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 14 : Deferred Tax Liabilities

Particulars	At at 31st March, 2020	At at 31st March, 2019
Opening Balance	36,04,000	42,95,000
Add / (Less) during the year	(1,22,600)	(6,91,000)
Total	34,81,400	36,04,000

Note 15 : Long Term Provisions

Particulars	At at 31st March, 2020	At at 31st March, 2019
Contingency provision on standard assets	14,67,399	14,67,399
Provision of NPA	27,47,640	27,47,640
Total	42,15,039	42,15,039

Note 16 : Short Term Borrowings

Particulars	At at 31st March, 2020	At at 31st March, 2019
<u>Secured</u>		
Bank Facility (Against FDR and Book Debts)	1,30,70,29,978	2,03,47,71,162
Loan Against Property	1,99,530	48,25,85,050
<u>Short term Loan</u>		
From Banks	1,26,00,00,000	1,18,39,00,000
Total	2,56,72,29,508	3,70,12,56,212

Note 17 : Trade Payables

Particulars	At at 31st March, 2020	At at 31st March, 2019
<u>Sundry Creditors</u>		
Trade Payables dues to other than micro and small enterprises	4,60,34,445	2,73,47,768
<u>Sundry Creditors for Services</u>		
Clients	6,66,62,34,929	2,73,22,45,667
Exchanges	1,14,57,18,442	2,70,58,697
Sub Broker	7,80,94,367	7,69,62,514
Total	7,93,60,82,183	2,86,36,14,646

Note 18 : Other Financial Liabilities

Particulars	At at 31st March, 2020	At at 31st March, 2019
Security deposits	18,84,36,353	9,50,57,295
Credit Balance in Bank current accounts	5,96,09,287	21,63,86,578
Total	24,80,45,640	31,14,43,873



MARWADI SHARES AND FINANCE LIMITED**Notes to the Consolidated Financial Statements****Note 19 : Other Current Liabilities**

Particulars	At at 31st March, 2020	At at 31st March, 2019
Statutory dues	10,20,68,402	10,53,99,928
Other current liabilities	3,08,29,45,670	2,90,95,67,983
Expenses Payable	16,32,23,029	5,15,52,951
Payable to Clients	12,92,32,797	30,34,73,528
Total	3,47,74,69,898	3,36,99,94,390

Note 20 : Short term Provisions

Particulars	At at 31st March, 2020	At at 31st March, 2019
Provision for Income Tax	11,85,53,000	11,87,26,000
Total	11,85,53,000	11,87,26,000



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 21 : Revenue from Operations

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Operating Revenue		
Brokerage	55,77,72,795	64,36,82,356
Depository Receipts	2,31,80,053	2,99,68,530
Distribution Income	1,54,99,490	3,09,77,987
Interest	34,23,80,291	25,13,55,933
Advisory Fees	2,19,06,815	2,39,96,071
Profit from Trading	58,06,23,153	44,25,81,250
Sub Total	1,54,13,62,597	1,42,25,62,127
Other Operating Revenue		
Interest on Fixed Deposit	42,61,32,744	29,67,80,292
Interest on Delayed Payment	10,52,11,815	10,29,69,737
Other Interest	43,52,64,539	40,80,45,804
Dividend	71,68,412	66,52,987
Miscellaneous Income	1,98,927	1,35,865
Sub Total	97,39,76,437	81,45,84,685
Total	2,51,53,39,034	2,23,71,46,812

Note 22 : Other Income

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Profit on disposal of fixed assets	4,69,764	40,346
Profit Sharing from Partnership	3,65,545	-
Interest on Income Tax refund	55,346	-
Miscellaneous Income	-	2,77,119
Total	8,90,655	3,17,465

Note 23 : Employee Benefit Expenses

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Salaries, wages and bonus	41,21,75,667	35,64,67,331
Staff welfare	55,93,087	53,63,258
Total	41,77,68,754	36,18,30,589



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 24 : Finance Costs

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Interest on		
Bank Overdraft	28,05,38,916	15,52,70,556
Car Loans/Other Loans	19,64,305	57,86,176
Other Interest	54,63,46,070	40,92,81,464
Bank Guarantee Commission	12,40,98,727	4,90,09,249
Bank Charges	59,59,278	17,68,493
Total	95,89,07,296	62,11,15,938

Note 25 : Depreciation & Amortisation

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Depreciation on		
Property, plant and equipment	4,20,21,676	3,70,08,272
Current assets	-	-
Amortisation on		
Preliminary Expenses Written off	-	2,33,634
Total	4,20,21,676	3,72,41,906

Note 26 : Other Administrative Expenses

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Communication Expenses	96,23,177	1,29,60,495
Travelling Expenses	1,03,68,226	1,34,38,899
Exchange & Depository Charges	12,69,60,845	17,20,58,799
Business Development Expenses	1,77,76,649	6,52,30,930
Business Support Expenses	16,34,012	21,96,791
Computer Hardware & Software Maintenance	2,42,44,391	2,03,57,207
General Expenses	1,79,26,644	1,50,11,440
Conveyance Expenses	11,59,044	13,75,932
Legal & Professional Fees	9,96,15,247	9,62,15,359
Printing & Stationery Expenses	1,35,22,160	82,25,647
Audit Fees	2,97,850	2,86,050
Rent Rates & Taxes	4,97,69,259	4,35,43,935
Advertisement & Publicity	16,02,371	22,38,268
Donation	1,49,43,000	97,57,000
Sub-Brokerage	19,64,97,243	25,41,19,598
Distribution Passout	1,12,12,869	2,40,24,227
Repairs & Maintenance Expenses	67,38,726	1,41,69,790
Vehicle Expenses	48,38,196	40,40,532
Management Fees to Directors	1,14,00,000	2,69,40,000
2% CSR Expense	63,50,000	56,50,000
Transportation Expenses	1,34,650	1,34,920
Loss on Sale of Assets	33,325	78,906
Electricity Charges	1,52,72,581	1,13,95,703
Total	64,19,20,465	80,34,50,428



MARWADI SHARES AND FINANCE LIMITED

Notes to the Consolidated Financial Statements

Note 27 : Tax Expenses

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Current tax	11,85,53,000	11,87,26,000
Short/excess provision for income tax of earlier years	-	5,11,427
Deferred tax	(1,22,600)	(6,91,000)
Total	11,84,30,400	11,85,46,427



MARWADI SHARES AND FINANCE LIMITED

Note: 28

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 Company Overview and significant Accounting Policies

1.1 Description of business

Marwadi Shares and Finance Limited ('The Holding Company') is closely held company domiciles in India and is incorporated under the provisions of the Companies Act 1956 and its subsidiaries referred to as the 'Group' mainly deals in broking business of shares, Securities, commodity and other ancillary services and also deals in shares, securities and commodities trading through exchange.

1.2 Basis of preparation of financial statements

The financial statement of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Act to be read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016.

The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements of the Group have been consolidated using uniform accounting policies.

The financial statements have been prepared on the historical cost.

Details regarding subsidiary companies and its associates for consolidation are as follows:

Sr. No.	Particulars	Status
1	Marwadi Commodity Broker Private Limited	Subsidiary
1a	Marwadi Finlease Private Limited	Subsidiary
1b	Marwadi Bullions Private Limited	Subsidiary
2	Marwadi Stock Broking Limited	Subsidiary
3	Marwadi International Securities (IFSC) Limited	Subsidiary
4	Marwadi Chandarana Intermediaries Brokers Private Limited	Associate
5	Marwadi Chandarana Enterprise LLP	Associate
6	Marwadi Enterprise	Associate

Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule-III to the Act.



MARWADI SHARES AND FINANCE LIMITED

1.3 Principles of consolidation

The financial statements of the holding company and its subsidiaries companies have been combined on a line by line basis by adding together the book values of items like assets, liabilities, income and expenses after fully eliminating Intra group balances and intra group transactions resulting in unrealized profit or losses, if any.

The financial statements of the subsidiaries used in consolidation are drawn for the same period as that of the Holding Company i.e. year ended 31st March, 2020.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of Profit and Loss and consolidated balance sheet respectively.

Details regarding percentage of share holding in subsidiaries and associates:

Sr. No.	Particulars	Country of creation	2019-20	2018-19
			% of Holding	% of Holding
1	Marwadi Commodity Broker Private Limited	India	100.00%	100.00%
2	Marwadi Finlease Private Limited	India	100.00%	100.00%
3	Marwadi Bullions Private Limited	India	51.00%	51.00%
4	Marwadi Stock Broking Limited	India	100.00%	100.00%
5	Marwadi International Securities (IFSC) Limited	India	51.00%	51.00%
6	Marwadi Chandarana Intermediaries Brokers Private Limited	India	50.00%	50.00%
7	Marwadi Chandarana Enterprise LLP	India	49.00%	Nil
8	Marwadi Enterprise	India	25.00%	25.00%

The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in same manner as the Parent Company's separate statement. Difference, if any in accounting policies have been disclosed separately.

1.4 Significant Accounting Policies and explanatory notes

I Significant Accounting Policies

a) Revenue recognition

The Group derives revenues primarily from the broking business of shares, securities, commodity, trading activity through exchange and other ancillary services.

Brokerage income is recognized on the trade date of transaction upon confirmation of the transaction by the stock exchange. Income from depository services are recognized on the basis of agreement entered into with clients and when the right to receive the income is established. Commission income from financial products distribution is recognized when the right to receive the income is established.



MARWADI SHARES AND FINANCE LIMITED

Interest income is recognised on accrual basis. Dividend income is accounted for when the right to receive the income is established. The Profit/(Loss) earned on Sale of Stock-in-trade are recognised on trade date basis.

b) Employee benefits

- i) Provident Fund is accounted on accrual basis with Contribution to the Employees' Provident Fund administered by the Central Government.
- ii) Contribution to Life Insurance Corporation of India towards Gratuity is made on the basis of Actuarial Valuation carried out by the corporation on the basis of the information provided by the Company.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation.

Components of an asset are separated where their value is significant in relation to the total value of the asset and where those components have difference useful lives to the remainder of the asset.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and loss.

d) Intangible Assets

Intangible assets are stated at cost less provisions for amortization and impairments. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between disposal proceeds and carrying amount of the asset and are recognised as income or expenses in the statement of Profit and Loss.

e) Depreciation/Amortisation

Depreciation/Amortisation on Property, Plant and Equipment is charged on a Straight Line Method so as to write off the original cost of the assets over the useful lives. The useful life of the fixed assets as prescribed under the Companies Act, 2013. Details for the same are as under:



MARWADI SHARES AND FINANCE LIMITED

Sr. No.	Class of Assets	Useful life (In Years)
1	Building	60
2	Computer	3
3	Furniture & Fixtures	10
4	Office Equipment	5
5	Motor Car	8
6	Vehicles	10
7	Electrical Fitting	10
8	VSAT/Servers	6
9	Intangible Assets	10

f) **Capital work-in-progress**

Assets under construction wherein assets are not ready for use in the manner as intended by the management are shown as capital work-in-progress.

g) **Inventories**

All Inventories are valued at the lower of cost or market value.

h) **Trade receivables**

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

i) **Cash and cash equivalents**

Cash and cash equivalents include cash at bank and cash in hand.

j) **Borrowing costs**

Borrowing costs are charged to Consolidated Statement of Profit and Loss.

k) **Taxation**

l) **Current income tax**

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/reserve.



MARWADI SHARES AND FINANCE LIMITED

ii) **Deferred tax**

Deferred tax resulting from timing differences between depreciation as per book and tax depreciation considered in consolidated financial statements.

l) **Foreign Currency Transactions**

During the year company has paid **US\$ 90** amounting **Rs.6318/-** paid to NYSE Market (DE), INC for Professional Service.

m) **Provisions, Contingent liabilities and Assets**

i) **Provisions**

Provision are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) **Contingent Liabilities**

Contingent liability is disclosed for (a) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. So far company is not making any provision for contingent liabilities. All contingent liabilities have been disclosed at their estimated value in notes to Accounts.

iii) **Contingent Assets**

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

n) **Key accounting judgments, estimates and assumptions**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.



MARWADI SHARES AND FINANCE LIMITED

o) **Investment**

Investments valued at cost of acquisition.

p) **Explanatory notes**

i) **Auditor remuneration for the year ended**

Particulars	31 st March 2020	31 st March 2019
a) As Auditor	2,96,350	2,84,550
b) As advisor, or in any other capacity, in respect of taxation matters	-	-
c) In any other manner	9,000	9,000
TOTAL	3,05,350	2,93,550

ii) **Related party transaction for the year ended**

Sr. No	Particulars	31 st March 2020	31 st March 2019
1	<u>Management Services Fees Paid to Directors</u>		
	Mr. Ketan H Marwadi	30,00,000	88,20,000
	Mr. Deven H Marwadi	30,00,000	88,20,000
	Mr. Sandeep H Marwadi	30,00,000	88,20,000
	Mr. Jeet K Marwadi	24,00,000	4,00,000
	Mr. Naresh Jadeja	-	40,000
	Mr. Kantilal K Khakhar	-	40,000
2	<u>Office Rent Paid to</u>		
	Marwadi Investment Private Limited	75,00,000	1,22,11,420
	Mrs Savitha K. Marwadi	1,65,000	1,80,000
3	<u>Building Service Charges Paid to</u>		
	Marwadi Investment Private Limited	30,00,000	1,06,11,420
	TOTAL	2,20,65,000	4,99,42,840

- Above figures are net of GST whenever applicable.



MARWADI SHARES AND FINANCE LIMITED

- iii) **Contingent liabilities**
Bank guarantee issued by the banks on behalf of Group to the stock exchanges are Rs. 1173.85 Crore (Previous Year Rs. 844.92 Crore)
- iv) Figures related to the subsidiary companies have been reclassified wherever necessary to bring them in in with the holding company's financial statements.

As per our report of even date

For MANDALIYA & ASSOCIATES

Chartered Accountants

FRN: 131786W


HIREN MANDALIYA

Proprietor

M.No. 137782

UDIN: 20137782AAAAMK3621



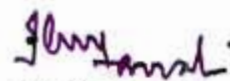
For and on behalf of the Board



Ketan Marwadi

Managing Director

DIN: 00088018

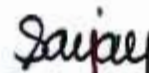


Sandip Marwadi

Whole-time Director

DIN: 00088051

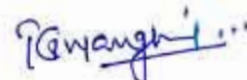




Sanjay Thakrar

CFO

CFA-14437



Tushit Mangukiya

Company Secretary

FCS-5286

August 25th, 2020 at Rajkot

August 25th, 2020 at Rajkot

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2020

Part - A: Subsidiaries

(Amount in INR)

1	Sr. No.	1	2	3	4	5
2	Name of the Subsidiary Company	Marwadi Commodity Broker Private Limited	Marwadi Stock Broking Limited	Marwadi International Securities (IFSC) Limited	Marwadi Finlease Private Limited	Marwadi Bullions Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	The Date since when subsidiary was acquired	July 24, 2004	November 08, 2009	January 24, 2017	October 27, 2007	January 23, 2012
6	Share Capital	Rs. 24,873,500 (248,735 Equity Shares of Rs. 100/- each fully paid up)	Rs. 10,000,000 (1,000,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 12,000,000 (1,200,000 Equity Shares of Rs. 10/- each fully paid up)	Rs. 310,22,700 (3,102,270 Equity Shares of Rs. 10/- each fully paid up)	Rs. 120,000 (1,200 Equity Shares of Rs. 100/- each fully paid up)
7	Reserves & Surplus	396,426,700	4,345,719	---	438,849,036	717,120
8	Total Assets	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
9	Total Liabilities	653,361,295	14,678,969	13,641,457	506,140,031	1,027,120
10	Investments	183,466,686	---	---	---	---
11	Turnover (Operating Income)	37,898,598	---	---	342,380,291	964,163
12	Profit/(Loss) before taxation	21,661,407	1,192,120	---	59,828,858	883,071
13	Provision for taxation	5,490,000	325,000	---	15,058,000	170,000
14	Profit/(Loss) after taxation	16,171,407	867,120	---	44,770,858	713,071
15	Proposed Dividend	---	---	---	---	---
16	% of shareholding	100% of Equity capital	100% of Equity capital	51% of Equity capital	Nil*	Nil*

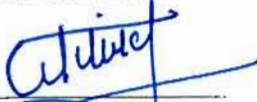
* Step-down subsidiaries through Marwadi Commodity Broker Private Limited. Hence there is no shareholding.

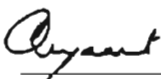
Notes:


1. No subsidiary, which has not commence its business.
2. No subsidiaries have been liquidated or sold during the year.


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
DIN: 00088018


Sandip H. Marwadi
Whole-time Director
DIN: 00088051


Sanjay H. Thakrar
CFO
CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot



Part - B: Associates and Joint Ventures
Statement pursuant to section 129(3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures

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

Part - B: Associate

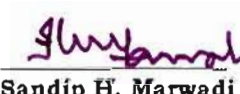
1	Sr. No.	1	2	3
2	Name of the Associate	Marwadi Chandarana Intermediaries Brokers Private Limited [MCIBPL]	Marwadi Chandarana Enterprise LLP [MCE LLP]	Marwadi Enterprise [Partnership Firm]
3	Latest audited Balance Sheet Date	March 31, 2020	March 31, 2020	March 31, 2020
4	Shares of Associate/Joint Ventures held by the company on the year end			
	No. of Shares	1,000,000 Equity Shares of Rs. 10 each	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture	Rs. 10,000,000/-	Rs. 4,900,000	Rs. 390,545 as on March 31, 2020
	Extend of Holding %	50%	49%	25%
5	Description of how there is significant influence	MSFL holds 50% equity shares of MCIBPL	MSFL contributes 49% of total capital of MCE-LLP	MSFL contributes 25% of total capital of Marwadi Enterprise
6	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
7	Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 7,904,621.5	Rs. 4,900,000/-	Rs. 3,84,295/-
8	Profit / Loss for the year	Rs. 30,652/-	Rs. 0/-	Rs. 1,437,180/-
	i. Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 3,65,545/-
	ii. Not Considered in Consolidation	Rs. 15,326/-	Rs. 0/-	Rs. 10,71,635/-


For, Mandaliya & Associates
Chartered Accountants
FRN: 131786W

By the order of the Board of
Marwadi Shares and Finance Limited


[Hiren Mandaliya]
Proprietor
Membership No. 137782


Ketan H. Marwadi
Managing Director
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CFA -14437


Tushit G. Mangukiya
Company Secretary
FCS-5286

Date: August 25, 2020
Place: Rajkot

Date: August 25, 2020
Place: Rajkot

