



**85<sup>th</sup> Annual Report**  
**2019 - 2020**



## **Bhadrashyam H Kothari**

11.11.1961 - 22.02.2015



*With fond memories of our Dearest Chairman  
You will always inspire and guide us.*

**KOTHARI SAFE DEPOSITS LIMITED**  
**REGISTERED OFFICE: “KOTHARI BUILDINGS”**  
**116, MAHATMA GANDHI ROAD, NUNGAMBAKKAM, CHENNAI 600034.**  
**Ph: 044-2833199. Website [www.hckotharigroup.com/ksdl](http://www.hckotharigroup.com/ksdl).**  
**Email ID: [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com)**

<b>CHAIRPERSON</b>	<b>NINA B KOTHARI</b>
<b>DIRECTORS</b>	<b>C. RAMAKRISHNA P. S. BALASUBRAMANIAM S. RAMANATHAN NAYANTARA B KOTHARI ARJUN B KOTHARI</b>
<b>AUDITORS</b>	<b>M/S. L. SANTHANARAMAN &amp; Co., CHARTERED ACCOUNTANTS</b>
<b>INTERNAL AUDITORS</b>	<b>M/S. SUNDARARAMAN &amp; Co., CHARTERED ACCOUNTANTS</b>
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	<b>CAMEO CORPORATE SERVICES LIMITED “SUBRAMANIAM BUILDINGS 1, CLUB HOUSE ROAD, CHENNAI 600002. Ph: 044-28461173.</b>
<b>D’ MAT ISIN CODE</b>	<b>INE407H01022</b>

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**SAFE DEPOSIT VAULTS**

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<b>GEORGE TOWN</b>	<b>“ORIENTAL BUILDINGS” 97, ARMENIAN STRRET CHENNAI 600001.</b>
<b>NUNGAMBAKKAM</b>	<b>“KOTHARI BUILDINGS” 116, MAHATMA GANDHI ROAD CHENNAI 600034.</b>
<b>PURASAWALKAM</b>	<b>“SANGHI PLAZA” 56, JERMIAH ROAD, CHENNAI 600007.</b>
<b>ALWARPET</b>	<b>“CENTURY CENTRE” 75, T.T.K ROAD, CHENNAI 600018.</b>
<b>ANNA NAGAR</b>	<b>“TAMILVANAN COMPLEX” AA-144, THIRD AVENUE, CHENNAI 600040.</b>
<b>ADYAR</b>	<b>‘INDIRA ENCLAVE’ 31, INDIRA NAGAR I AVENUE, CHENNAI 600020.</b>
<b>EGMORE</b>	<b>“CANBERRA” 97, PANTHEON ROAD, CHENNAI 600008.</b>

## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the 85<sup>th</sup> Annual General Meeting of the Members of Kothari Safe Deposits Limited will be held on Thursday, the 13<sup>th</sup> August 2020 at 11.00 AM through Video conference facility (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

### **Ordinary Business:**

1. To consider and adopt the Audited financial statements of the Company for the financial year ended March 31, 2020, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Ms. Nina B Kothari, who retires by rotation, and being eligible offers herself for re-appointment.
3. To appoint a Director in the place of Ms. Nayantara B Kothari, who retires by rotation, and being eligible offers herself for re-appointment.

(By Order of the Board)  
*for* **KOTHARI SAFE DEPOSITS LTD.,**

Place: Chennai  
Date: 19<sup>th</sup> June 2020

**NINA B KOTHARI**  
CHAIRPERSON

### **Important Notes**

- a) In view of the continuing COVID-19 global pandemic, the Ministry of Corporate Affairs vide its Circular No.20/2020 dated May 05, 2020 read with Circular No.14/2020 dated April 8, 2020 and Circular No.17/2020 dated April 13, 2020 allows conducting of Annual General Meeting of the Company through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the members for the meeting at a common venue. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and also available at the Company's website [www.hckotharigroup.com/ksdl](http://www.hckotharigroup.com/ksdl)
- b) Since the AGM is being conducted through VC / OAVM, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
- c) Corporate members are requested to send to the company a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote in the AGM through VC / OAVM on its behalf.
- d) The Register of Members and Share Transfer books will remain closed from 10<sup>th</sup> August 2020 to 13<sup>th</sup> August 2020 (both days inclusive) on account of the Annual General Meeting.
- e) Members holding shares in dematerialized form are requested to intimate any change in their address, bank details, etc. to their respective Depository Participants and those holding shares in physical form should intimate the above changes to the Registrars and Transfer Agents, M/s. Cameo Corporate Services Limited, No.1, Club House Road, Chennai- 600 002 with necessary proof before the date of Book closure.

- f) Members may note that pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Transfer of shares in physical mode is prohibited effective 2<sup>nd</sup> October 2018. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of electronic transfer, savings in stamp duty, prevention of forgery, etc.
- g) Members may please note that, it is now mandatory to furnish a copy of PAN card to the RTA in the case of Deletion of Name, Transmission of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all the above-mentioned transactions.
- h) Members who have not encashed their dividend warrants and proceeds of reduction of shares pertaining to the financial years from 2012-13 to 2015-16 and 2017-18 respectively are advised to write to the Company immediately. The detail of unpaid dividend due for transfer to Investor Education and Protection Fund (IEPF) is detailed below. As per Section 124 (6) of the Companies Act, 2013, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

Nature of Dividend	Date of Declaration of Dividend	Due Date for transfer to IEPF
Final Dividend	08.08.2013	13.09.2020
Interim Dividend	03.02.2014	08.03.2021
Final Dividend	11.08.2014	16.09.2021
Final Dividend	10.08.2015	15.09.2022
Final Dividend	08.08.2016	13.09.2023
Proceeds of reduction of Share Capital	26.12.2017	25.12.2024

- i) In terms of the extant provisions of IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends for the financial years 2012-13, 2013-14, 2014-15 & 2015-16, as on the date of the 84<sup>th</sup> Annual General Meeting held on 7<sup>th</sup> August 2019, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and also in the Company Website [www.hckotharigroup.com/ksdl](http://www.hckotharigroup.com/ksdl).
- j) The company has appointed M/s. Cameo Corporate Services Ltd as share transfer agent. Shareholders may contact or correspond to the Agency for all matters related to the equity shares of the Company.
- k) In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at <https://hckotharigroup.com/ksdl/>.
- l) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can send an e-mail to [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com) requesting for inspection of the Registers.
- m) The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- n) Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

- o) The Company has designated e-mail id viz. [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com) to enable investors to register their complaints / queries, if any.
- p) The disclosure pursuant to Secretarial Standard (SS-2) with respect to the Director seeking re-appointment at the forthcoming Annual General Meeting is appended to this Notice.

**Instructions for shareholders attending the AGM through VC / OAVM are as under:**

1. Shareholders will be provided with a facility to attend the AGM through VC / OAVM through Lifesize Application. In this regard, the Shareholders shall download the said application by using the following link <https://call.lifesizecloud.com/download>. The link and credentials for logging into the AGM of the Company shall be provided to them a day before the meeting through email to such of those shareholders who have registered their email with the Company.
2. Shareholders are encouraged to join the Meeting through Laptops / Desktop / I Pads for better experience.
3. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to all the members.
6. Shareholders who would like to express their views / ask questions may send their queries **at least 01 day** prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com)

**Instructions for shareholders for voting via email during the AGM are as under:**

1. The Shareholders may cast their votes for each Resolution only by sending e-mails through their registered e-mail address with the Company. The said e-mail shall be sent only to the designated e-mail address of the Company i.e. [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com) in the following format:

Name of the Shareholder	Folio No. / DP ID client ID	No. of shares held	Resolution No.	Assent / Dissent
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2. During the meeting through VC / OAVM facility, whenever a poll is required on any item, the members shall cast their votes on the Resolutions only by sending emails through their email address which are registered with the Company. The said email shall be sent only to the designated email address of the Company i.e. [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com)
3. All grievances connected with the facility for attending and voting at the meeting by electronic means may be addressed to the Company through email to [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com) or call +919381006446-R.U. Trivedi / +919003026733 C.H. Prasad

**General:**

- a) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting in the general meeting. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e. Sunday, 9<sup>th</sup> August 2020 may obtain the login ID and password by sending an email to [kotharisafedeposits@gmail.com](mailto:kotharisafedeposits@gmail.com) by mentioning their Folio No./DP ID and Client ID No.

**Annexure to the Notice**

**The information in respect of Item no. 2 in accordance with Secretarial Standards-2 (SS-2) issued by the Institute of Company Secretaries of India about the Director seeking re-appointment in this Annual General Meeting are furnished hereunder.**

Particulars	Item No.2
<b>Name of the Director</b>	<b>Nina B. Kothari</b>
Date of Birth	21.07.1962
Date of First Appointment on the Board	26.05.2014
Qualification	B.A. (Economics)
Experience in specific functional areas	She is holding directorship in H. C. Kothari Group of Companies. She has held various positions in prestigious institutions as Treasurer of Crafts Council of India, World Crafts Council and Chairman of National Crafts & Heritage Committee of ASSOCHAM. She was the President of International Womens' Association (IWA).
List of other Public Companies in which Directorship held	a) Kothari Petrochemicals Limited b) Kothari Sugars and Chemicals Limited
Chairman/ Member of the Committee of the Board of Director of the Company	a) Kothari Petrochemicals Limited – Chairperson. b) Kothari Sugars and Chemicals Limited – Chairperson.
Chairman / Member of the Committee of the other companies in which he/she is a Director	None
Number of Shares held in the Company (both own or held by/for other persons on a beneficial basis) as on March 31, 2020	2,32,893 shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Nina B. Kothari is mother of Mr. Arjun B. Kothari and Mrs. Nayantara B. Kothari, Directors of the Company.
Number of meetings attended during the year.	3

The information in respect of Item no. 3 in accordance Secretarial Standards-2 (SS-2) issued by the Institute of Company Secretaries of India about the Director seeking re-appointment in this Annual General Meeting are furnished hereunder.

Particulars	Item No.3
Name of the Director	Nayantara B. Kothari
Date of Birth	30.04.1987
Date of First Appointment on the Board	06.05.2015
Qualification	(1) Bachelor of science (Human Biology & Political Science) Stanford University, USA. (2) Summer School in Management and entrepreneurship conducted by London school of Economics in Peking University, Beijing, China.
Experience in specific functional areas	(1) Analyst in IFMR Ventures, Chennai. (2) Internship with Temasek Holdings, Singapore. (3) Involved with Research work for International Institute of Strategic Studies. (4) Member-Executive Speaker Committee in Stanford Student Bio design. (5) Member-Stanford International Under graduate Committee. (6) Executive Director - Stanford Asian Technology Initiative. (7) Research and Lab work in Reliance Life Science, Mumbai.
List of other Public Companies in which Directorship held	None
Chairman / Member of the Committee of the Board of directors of the Company	None
Chairman / Member of the Committee of the other Companies Board of directors of the Company	None
Number of Shares held in the Company (both own or held by/for other persons on a beneficial basis) as on March 31, 2020	90 Equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Nayantara B. Kothari is daughter of Mrs. Nina B. Kothari, Chairperson of the Company and sister of Mr. Arjun B. Kothari, Director of the Company.
Number of meetings attended during the year.	2



## REPORT OF THE DIRECTORS TO THE MEMBERS

Your directors have pleasure in presenting the 85<sup>th</sup> Annual Report on the working of the Company along with the Audited Balance Sheet and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2020.

### Operating Results for the year 2019-20

	<u>2019-20</u>	(Rs. in Lakhs) <u>2018-19</u>
Profit before Depreciation & Provisions	372.91	349.36
Less: Depreciation	29.82	25.97
Provisions & Write Off/ (Write Back)	128.85	0.64
Provision for Taxes (Nett)	<u>21.68</u>	<u>59.41</u>
Profit after Tax	192.56	263.34
Add: Amount brought forward from last year	<u>500.65</u>	<u>253.55</u>
Profit available for appropriation	693.21	516.89
Appropriation:	Nil	Nil
Balance Carried Over	<u>693.21</u>	<u>516.89</u>

### Dividend:

In order to conserve the reserves for future expansion the Board does not recommend any dividend. (last year: Rs.2/- per share).

### Operations:

#### a) Vault:

The booking in the vault division of the Company continues to be not very satisfactory for the last few years since the demonetization announced in November 2016. The Company witnessed more surrender of lockers than bookings. The occupancy rate was 91.99% against 93.58% last year. New vault in Egmore, the 7<sup>th</sup> Vault at Chennai commenced business in November 2019.

#### b) Investments:

Stock Market performance was subdued for most part of the year. Due to the pandemic the stock market indices throughout the world witnessed heavy fall. BSE Sensex and Nifty in India too fell over 30% from their historical high at the end of the year and this resulted in huge provision in diminution in value of Investments. With respect to debt funds, since many Bond papers were downgraded by the rating agencies mutual fund industry experienced heavy outflow from some of the debt schemes. On account of this NAV fell drastically in debt schemes which was a rare phenomenon. Though your Company had to provide huge amount towards Provision for diminution in value of Investments for the year under review, we could achieve reasonably good performance and as a result earned an income of Rs.168.00 lakhs as against Rs.176.11 lakhs last year

#### c) Covid-19 and its impact for the Current Year:

Your Company closed all its vaults for about 40 days due to the lockdown announced by the Government and reopened during first week of May this year. However, the footfalls at all the vaults are very minimal. The Company expects lesser demand for lockers as the general public stay indoors due to fear. Only when footfall increases in all the vaults the demand for lockers will increase. Never the less, your Company is expected to show a decent profit for the current year from this division.

With respect to investments, your Company will continue to be cautious in its approach and hope to deliver good results in 2020.21.

**Deposits:**

The Company does not accept deposits and has no outstanding deposits.

**Directors:**

- a. Ms. Nina B Kothari a director and Chairperson is retiring by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.
- b. Ms. Nayantara B Kothari Director is retiring by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

**Meetings held during the year 2019-20:**

During the year 4 Board meetings were held on 21<sup>st</sup> May 2019, 7<sup>th</sup> August 2019, 25<sup>th</sup> October 2019 and 13<sup>th</sup> February 2020. The intervening gap between two meetings was within the prescribed period under the Companies Act, 2013.

The 84<sup>th</sup> Annual General Meeting was held on 7<sup>th</sup> August 2019. The above meetings were attended by the Directors as detailed below.

Sl. No	Name of the Director	No. of Board Meeting attended	Whether attended Annual General Meeting
1	Ms. Nina B Kothari	3	Yes
2	Ms. Nayantara B Kothari	2	No
3	Mr. Arjun B Kothari	4	Yes
4	Mr. P S Balasubramaniam	4	Yes
5	Mr. C Ramakrishna	4	Yes
6	Mr. S Ramanathan	4	Yes

**Share Capital:**

There was no change in the paid-up share capital of the Company during the financial year 2019-20. The detailed report of the promoters and public shareholdings are furnished in the Form MGT-9 annexed to this Report.

**Particulars of Loans, Guarantees, and Investments:**

The company has not given any Loans or Guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company are given in the notes to the financial statements.

**Directors' responsibility statement:**

The Directors' state that:

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures.
- ii. They have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year 2019-20.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the Annual Accounts on a going concern basis.
- v. The Board Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Conservation of Energy, Technology Absorption and Foreign Exchange earning outgo:**

Your Company has no activity relating to conservation of energy, and foreign exchange earnings and outgo stipulated under Section 134(3)(M) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

**Significant and material Orders passed by the Regulators:**

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

**Related Party Transactions:**

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business and there were no 'material' contracts or arrangement or transactions not at arm's length basis and thus disclosure in form AOC-2 is not required. The related party transactions under Section 188(1) of the Companies Act, 2013 have been disclosed in the Notes on Accounts.

**Annual Returns:**

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT - 9 is annexed herewith and forms part of this Annual Report (**Annexure I**).

**Statutory Auditors:**

M/s. L. Santhanaraman & Co., Chartered Accountants, Registration No.003612S were appointed as Statutory Auditors of the Company in the 82<sup>nd</sup> Annual General Meeting for a period of five years till the conclusion of the 87<sup>th</sup> Annual General Meeting.

**Internal Auditors:**

Your Company has appointed M/s. Sundararaman & Co., a firm of Chartered Accountants as the Internal Auditors and the Internal Auditors submit their Report to the Board every quarter.

**Corporate Social Responsibility (CSR):**

Since the Company is not falling under any of the criteria prescribed under Section 135 of the Companies Act, 2013 constitution of Corporate Social Responsibility (CSR) Committee and contributions does not arise.

**Cost Records:**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company, accordingly such records are not maintained by the Company.

**Internal Complaints Committee:**

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Development & Implementation of Risk Management Policy:**

Your Company is engaged in the business of hiring of Safe Deposit Lockers and Investment activities. With respect to Safe Deposit Locker division, utmost importance is given to security and safety measures by installing CCTV cameras, burglar alarms, fire extinguishers etc., in all the vaults besides vaults built with reinforced concrete walls on all sides with thickness as per standards. As Investments in equity market is subject to volatility and interest rate risks, utmost care is taken while deciding on investments in equity and debt related instruments.

**ACKNOWLEDGEMENT:**

Your Directors thank the Company's customers for their continued support. They also acknowledge the contribution of the employees of the Company.

For and on behalf of the Board of Directors

Nina B Kothari  
(CHAIRPERSON)

Place: Chennai – 600 034

Date: 19<sup>th</sup> June 2020

**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	U65921TN1936PLC001424
Registration Date	10.01.1936
Name of the Company	Kothari Safe Deposits Limited
Category/ Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	“Kothari Building”, No. 116, Mahatma Gandhi Road, Nungambakkam, Chennai – 600 034 Ph. No. 044-28331999 Email: <a href="mailto:kotharisafedeposits@gmail.com">kotharisafedeposits@gmail.com</a>
Whether listed company	-No-
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, Subramanian Buildings, 5 <sup>th</sup> Floor No.1, Club House Road, Chennai - 600 002. Phone No.044 – 28461173, 28460390 Fax No. 044 – 28460129

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Hiring of Lockers		68.44%
2	Investments		26.29%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Not Applicable

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

**i) Category-wise Share Holding**

Sl. No.	Categories of Share Holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individual / Hindu Undivided Family	4,14,627	1,665	4,16,292	61.87	4,16,292	Nil	4,16,292	61.87	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	2,00,340	Nil	2,00,340	29.77	2,00,340	Nil	2,00,340	29.77	Nil
(d)	Financial Institutions/Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-Total (A) (1)</b>	<b>6,14,967</b>	<b>1,665</b>	<b>6,16,632</b>	<b>91.64</b>	<b>6,16,632</b>	<b>Nil</b>	<b>6,16,632</b>	<b>91.64</b>	<b>Nil</b>
<b>2</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Qualified Foreign Investors (QFIs)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>6,14,967</b>	<b>1,665</b>	<b>6,16,632</b>	<b>91.64</b>	<b>6,16,632</b>	<b>Nil</b>	<b>6,16,632</b>	<b>91.64</b>	<b>Nil</b>

<b>(B)</b>	<b>Public shareholding</b>										
<b>1</b>	<b>Institutions</b>										
(a)	Mutual Funds/ UTI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Financial Institutions / Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-Total (B)(1)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>2</b>	<b>Non-institutions</b>										
(a)	Bodies Corporate	3,630	Nil	3,630	0.54	3,630	Nil	3,630	0.54	Nil	
(b)	Individuals -										
	i. Individual shareholders holding nominal share capital up to Rs..1.00 lakh.	22,858	8,624	31,482	4.68	22,858	8624	31,482	4.68	Nil	
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1.00 lakh.	15,660	Nil	15,660	2.33	15,660	Nil	15,660	2.33	Nil	
(c)	Any Other										
	1) Directors & Relatives	1,530	3,600	5,130	0.76	1,530	3,600	5,130	0.76	Nil	
	2) Non-Resident Indians (NRI's)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(d)	Any other Hindu Undivided Families	347	Nil	347	0.05	347	Nil	347	0.05	Nil	
	<b>Sub-Total (B)(2)</b>	<b>44,025</b>	<b>12,224</b>	<b>56,249</b>	<b>8.36</b>	<b>44,025</b>	<b>12,224</b>	<b>56,249</b>	<b>8.36</b>	Nil	
	<b>Total Public Shareholding (B)(1)+(B)(2)</b>	<b>44,025</b>	<b>12,224</b>	<b>56,249</b>	<b>8.36</b>	<b>44,025</b>	<b>12,224</b>	<b>56,249</b>	<b>8.36</b>	Nil	
	<b>TOTAL (A)+(B)</b>	<b>6,58,992</b>	<b>13,889</b>	<b>6,72,881</b>	<b>100.00</b>	<b>6,60,657</b>	<b>12,224</b>	<b>6,72,881</b>	<b>100.00</b>	Nil	
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>										
	1) Promoter and Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2) Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6,58,992</b>	<b>13,889</b>	<b>6,72,881</b>	<b>100.00</b>	<b>6,60,657</b>	<b>12,224</b>	<b>6,72,881</b>	<b>100.00</b>	Nil	

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	B.H. Kothari (HUF)	1,05,309	Nil	1,05,309	15.65	1,05,309	Nil	1,05,309	15.65	Nil
2	Nina B Kothari	2,32,893	Nil	2,32,893	34.61	2,32,893	Nil	2,32,893	34.61	Nil
3	Nayantara B Kothari	90	Nil	90	0.01	90	Nil	90	0.01	Nil
4	Arjun B Kothari	76,335	1,665	78,000	11.59	78,000	Nil	78,000	11.59	Nil
5	Century Foods Private Limited	2,00,340	Nil	2,00,340	29.78	2,00,340	Nil	2,00,340	29.78	Nil
	<b>Total</b>	<b>6,14,967</b>	<b>Nil</b>	<b>6,16,632</b>	<b>91.64</b>	<b>6,16,632</b>	<b>Nil</b>	<b>6,16,632</b>	<b>91.64</b>	<b>Nil</b>

iii) Change in Promoters Shareholdings (Please specify, if there is no change): Nil

Name of the Promoter	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for Increase /Decrease (e.g. Allotment / Transfer/ Bonus/ Sweat Equity etc)	Inter se Transfer			
Purchases				
At the end of the year				

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Name of the Shareholders	Shareholding at the End of the Year	
		No. of Shares	% of Total Shares of the Company		No. of Shares	% of Total Shares of the Company
1	Laxmichand Jain H	15,600	2.33	Laxmichand Jain H	15,600	2.33
2	Ajit Prabhudas Shah	6,120	0.68	Ajit Prabhudas Shah	6,120	0.90
3	Dilip Kumar Surana	4,084	0.45	Dilip Kumar Surana	4,084	0.60



4	C. Ramakrishna	3,600	0.40	C.Ramakrishna	3,600	0.54
5	Tenrose Capital Services Ltd	3,630	0.54	Tenrose Capital Services Ltd	3,630	0.54
6	M. Thrisla Devi	2,340	0.26	M. Thrisla Devi	2,340	0.35
7	Rajendrakumar Agarwal	1,890	0.21	Rajendrakumar Agarwal	1,890	0.28
8	Rakeshkumar Agarwal	1,890	0.21	Rakeshkumar Agarwal	1,890	0.28
9	Ritu Agarwal	1,890	0.21	Ritu Agarwal	1,890	0.28
10	Balasubramaniam P S	1,530	0.17	Balasubramaniam P S	1,530	0.23

v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name of the Directors	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Ms. Nina B Kothari	2,32,893	34.61	2,32,893	34.61
2	Mr. Arjun B Kothari	78,000	11.59	78,000	11.59
3	Ms. Nayantara B Kothari	90	0.01	90	0.01
4	Mr. C Ramakrishna	3,600	0.54	3,600	0.54
5	Mr. P S Balasubramaniam	1,530	0.23	1,530	0.23

vi) INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Crores
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ ii+ iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the Financial Year</b>				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
Indebtedness at the end of the Financial year	Nil	Nil	Nil	Nil
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ ii+ iii)</b>	Nil	Nil	Nil	Nil

vii) Remuneration of Directors

**A. Remuneration to Managing Director, Whole Time Director and / or Manager - NA**

**B. Remuneration to Other Directors**

(In. Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. P S Balasubramaniam	Mr. S Ramanathan	Mr. C Ramakrishna	
1	Sitting fee for attending Board and Committee Meetings	40,000	40,000	40,000	1,20,000
2	Commission	Nil	Nil	Nil	Nil
3	Others, please specify	Nil	Nil	Nil	Nil
<b>Total (B) (1)</b>					<b>1,20,000</b>

In. Rs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Nina B Kothari	Mr. Arjun B Kothari	Ms. Nayantara B Kothari	
1	Sitting fee for attending Board and Committee Meetings	30,000	40,000	20,000	90,000
2	Commission	Nil	Nil	Nil	Nil
3	Others, please specify	Nil	Nil	Nil	Nil
<b>Total (B) (2)</b>					<b>90,000</b>

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Directors**

NIL

**VII. Penalties / Punishment / Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					

<b>B. Director</b>		
Penalty		Nil
Punishment		
Compounding		
<b>C. Other Officer in Default</b>		
Penalty		
Punishment		
Compounding		

**INDEPENDENT AUDITOR'S REPORT  
To the Members of KOTHARI SAFE DEPOSITS LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **KOTHARI SAFE DEPOSITS LIMITED** (“*the Company*”) which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and Statement of Cash Flows for the year ended on that date and notes to the financial statements and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 responsible for overseeing the company's financial reporting process

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-I a statement on the matters specified in paragraphs 3 of the Order, to the extent applicable.

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 Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-II
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 – Refer Note No.19 (C).1 to the financial statement;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For L. SANTHANA RAMAN & CO.  
Chartered Accountants  
Firm's Registration No.003612S

L. Santhana Raman  
Partner  
Membership No.21867  
UDIN: 20021867AAAAAH8981

Place: Chennai  
Date: 19.6.2020

## **Annexure-I to the Independent Auditors Report to the Members of Kothari Safe Deposits Limited**

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) Fixed assets have been physically verified by the management during the year in accordance with a regular programme of verification at reasonable intervals and no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of company.

(ii) The Company doesn't hold inventories. Accordingly, clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable.

(iii) The the company has not granted any loan to a company, firm, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) The company has not granted any loan or furnished any guarantees or provided any security. Hence reporting on whether there is compliance with provisions of section 185 of the Companies Act, 2013 does not arise. In respect of investments made, the Company has complied with the provisions of section 186 of the Companies Act, 2013.

(v) The Company has not accepted any public deposits.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, in our opinion, the undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Income-tax, Service-tax, Goods and Services Tax and other statutory dues, as applicable, have generally been regularly deposited by the Company during the year with the appropriate authorities except Provident Fund dues of Rs. 1.77 lakhs remaining to be paid as mentioned in Note 19.C.5.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except Provident Fund dues of Rs.0.88 lakhs

(c) According to the information and explanations given to us, Sales-tax dues of Rs.1.48 lakh for the years 1989-90 to 1992-93, due to the dispute remanded back by the Appellate Commissioner to the Assessing Officer has not been deposited.

(viii) On the basis of our verification and according to the information and explanations given by the management, the company has not borrowed from banks, financial institution and Government nor has issued any debenture.

(ix) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting on utilization of such money does not arise.

(b) The company has not taken any term loan during the year nor any term loan was outstanding at the beginning of the year.

(x) According to the information and explanations given to us, and based on the audit procedures performed, no fraud on or by the Company has been noticed or reported during the year.

(xi) On the basis of our verification and according to the information and explanations given to us, no managerial remuneration has been paid or provided. Accordingly clause 3(xi) of the Order is not applicable.

(xii) The Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) (a) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and provisions section 177 are not applicable to the Company.

(b) The details of transactions during the year have been disclosed in the financial statements as required by the applicable accounting standards. Refer note no.7 of Note 19.C to the financial statements.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures under section 42 of the Companies Act, 2013.

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For L. SANTHANA RAMAN & CO.  
Chartered Accountants  
Firm's Registration No.003612S

L. Santhana Raman  
Partner  
Membership No.21867  
UDIN: 20021867AAAAAH8981

Place: Chennai  
Date: 19.6.2020

## **Annexure-II to the Independent Auditors Report to the Members of Kothari Safe Deposits Limited**

### **Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of **Kothari Safe Deposits Limited** ("the Company") as of March 31, 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) 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

- iii) 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the;

- i. existing policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business and continuous adherence to Company's policies.
- ii. existing procedures in relation to safeguarding of Company's fixed assets, investments, receivables, loans and advances and cash and bank balances.
- iii. accuracy and completeness of Company's accounting records and ensuring the same in the computerised environment
- iv. risk assessment of the areas of operation of the Company
- v. existing capacity to prepare timely and reliable financial information for reporting.
- vi. existing system to prevent and detect fraud and errors.

For L. SANTHANA RAMAN & CO.  
Chartered Accountants  
Firm's Registration No.003612S

L. Santhana Raman  
Partner  
Membership No.21867  
UDIN: 20021867AAAAAH8981

Place: Chennai  
Date: 19.6.2020

**BALANCE SHEET AS AT**

(Rs.in lakhs)

PARTICULARS	NOTE NO	31.03.2020	31.03.2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	<b>67.29</b>	67.29
(b) Reserves and Surplus	2	<b>2,439.21</b>	2,262.88
<b>(2) NON-CURRENT LIABILITIES</b>			
Other Long Term Liabilities	3	<b>0.00</b>	0.00
<b>(3) CURRENT LIABILITIES</b>			
(a) Other Current Liabilities	4	<b>1,092.43</b>	1,031.22
(b) Short-term Provisions	5	<b>7.86</b>	4.08
<b>TOTAL</b>		<b>3,606.79</b>	3,365.47
<b>(1) Non-Current Assets</b>			
(a) Property, Plant & Equipments			
(i) Tangible Assets	6	<b>852.74</b>	311.13
(ii) Intangible Assets		<b>15.59</b>	4.05
		<b>868.33</b>	315.18
(b) Non-current Investments	7	<b>1,429.96</b>	1,467.92
(c) Deferred Tax Asset (Net)	8	<b>39.54</b>	6.77
(d) Long-term Loans and Advances	9	<b>7.00</b>	217.14
<b>TOTAL – NON-CURRENT ASSETS</b>	<b>(A)</b>	<b>2,344.83</b>	2,007.01
<b>(2) Current Assets</b>			
(a) Current Investments	10	<b>1,126.08</b>	1,256.53
(b) Trade Receivables	11	<b>26.37</b>	10.69
(c) Cash and Cash Equivalents	12	<b>98.83</b>	78.71
(d) Short-term Loans and Advances	13	<b>10.68</b>	12.53
<b>TOTAL - CURRENT ASSETS</b>	<b>(B)</b>	<b>1,261.96</b>	1,358.46
<b>TOTAL</b>	<b>(A)+(B)</b>	<b>3,606.79</b>	3,365.47
Significant Accounting Policies & other disclosures	19	As per our Report of even date attached for L. SANTHANA RAMAN & CO	
Place: Chennai		Chartered Accountants	
Date: 19.06.2020		FRN 003612S	
		Nina B Kothari	L. Santhana Raman
		Arjun B Kothari	Partner
		S. Ramanathan	Membership No.21867
		DIRECTORS	

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED**

(Rs.in lakhs)

PARTICULARS	NOTE No.	31.03.2020	31.03.2019
<b>INCOME</b>			
Revenue from Operations	14	<b>605.35</b>	576.68
Other Income	15	<b>33.59</b>	27.34
<b>Total Revenue</b>		<b>638.94</b>	604.02
<b>EXPENSES</b>			
Employee Benefit Expenses	16	<b>105.64</b>	95.51
Other Expenses	17	<b>160.39</b>	159.15
Depreciation and Amortisation		<b>29.82</b>	25.97
Provision for Diminution in value of Investments/(withdrawn)	18	<b>128.85</b>	0.64
<b>Total Expenses</b>		<b>424.70</b>	281.27
<b>Profit before Exceptional and Extraordinary items</b>		<b>214.24</b>	322.75
Exceptional items		-	-
Extraordinary items		-	-
<b>Profit before Tax</b>		<b>214.24</b>	322.75
<b>Tax Expenses</b>			
Current Tax		<b>67.00</b>	62.50
MAT Credit		<b>(13.00)</b>	0.00
Tax relating to earlier years (Credit)		<b>0.45</b>	(2.65)
Deferred Tax (Credit)		<b>(32.77)</b>	(0.44)
<b>Profit for the year</b>		<b>192.56</b>	263.34
Earning per share - Basic & Diluted		<b>28.62</b>	39.13
Significant Accounting Policies & other disclosures	19	As per our Report of even date attached for L. SANTHANA RAMAN & CO Chartered Accountants FRN 003612S L.Santhana Raman Partner Membership No.21867	
Place: Chennai	Nina B Kothari		
Date: 19.06.2020	Arjun B Kothari		
	S. Ramanathan		
	DIRECTORS		

**CASH FLOW STATEMENT FOR THE YEAR ENDED**

(Rs. in lakhs)

PARTICULARS	31.3.2020	31.3.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and extraordinary items	214.24	322.74
ADD:		
Depreciation	29.82	25.97
Interest Received ( - )	(0.74)	(0.50)
Provision/(withdrawn) for Diminution in value of Investments	128.85	0.64
Loss / (-) Profit on acquisition/ sold fixed assets	0.00	(0.12)
	<b>157.93</b>	25.99
	<b>372.17</b>	348.73
LESS: Income from Investment Activities (Net)	<b>168.74</b>	<b>176.61</b>
<b>Operating Profit before Working Capital Changes</b>	<b>203.43</b>	172.12
ADD:		
(Increase) / Decrease in Trade and Other Receivables	<b>(15.68)</b>	<b>(2.48)</b>
(Increase) / Decrease in Loans and Advances	<b>(2.62)</b>	<b>(212.06)</b>
Increase / (Decrease) in Long Term Liabilities	<b>0.00</b>	<b>(0.27)</b>
Increase / (Decrease) in Other Current Liabilities	<b>64.98</b>	<b>32.45</b>
<b>Cash generated from Operations</b>	<b>250.11</b>	(10.24)
Income Tax paid (Net of refund)	<b>52.68</b>	40.33
Cash flow before extraordinary items	<b>197.43</b>	-50.57
Extraordinary items	<b>0.00</b>	0.00
<b>Net Cash Flow from Operating Activities (A)</b>	<b>197.43</b>	(50.57)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Income from Investments (Net)	<b>168.73</b>	176.61
(Purchase) / Sale of Investments (Net)	<b>39.56</b>	(106.97)
(Purchase) / Sale of Fixed Assets (Net)	<b>(370.12)</b>	(14.13)
Interest Received	<b>0.74</b>	0.50
<b>Net Cash flow from Investment Activities (B)</b>	<b>(161.09)</b>	56.01
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment on Capital Reduction	<b>0.00</b>	0.00
Tax on Distributed Profits paid on Capital Reduction	<b>0.00</b>	0.00
Dividend Paid (including Dividend Distribution Tax)	<b>(16.22)</b>	0.00
<b>Net Cash flow from Financing Activities (C)</b>	<b>(16.22)</b>	0.00
Net increase / (-) decrease in Cash and Cash Equivalents (A+B+C)	<b>20.12</b>	5.44
Cash and Cash Equivalent as at beginning of the year (Ref: Note No.12)	<b>78.70</b>	73.26
Cash and Cash Equivalent as at end of the year (Ref: Note No.12)	<b>98.82</b>	78.70

Significant Accounting Policies &amp; other disclosures

19 As per our Report of even date attached for L. SANTHANA RAMAN &amp; CO

 Place: Chennai  
 Date: 19.06.2020

 Nina B Kothari  
 Arjun B Kothari  
 S. Ramanathan  
 Directors

 Chartered Accountants  
 FRN 003612S  
 L. Santhana Raman  
 Partner  
 Membership No.21867

<b>Notes on Financial Statements</b>		(Rs. in lakhs)	
<b>PARTICULARS</b>	<b>31.03.2020</b>	31.03.2019	
<b>Note No.1- Share Capital</b>			
<b>Authorised</b>			
10,00,000 EQUITY SHARES OF RS 10/- EACH	<b>100.00</b>	100.00	
<b>Issued, Subscribed and Fully Paid-up</b>			
6,72,881 Equity Shares of Rs.10/ Each	<b>67.29</b>	67.29	
<b>(a) Reconciliation of the Number of Shares</b>			
NO OF SHARES AT THE BEGINNING OF THE YEAR	<b>672,881</b>	672,881	
NO OF SHARES AT THE END OF THE YEAR	<b>672,881</b>	672,881	
<b>(b) Terms / Rights of Equity Shareholders</b>			
(i) THE COMPANY PRESENTLY HAS ONE CLASS OF EQUITY SHARES. THE PAR VALUE OF WHICH IS RS 10/- EACH. SHAREHOLDER IS ENTITLED TO ONE VOTE PER SHARE WHICH CAN BE EXERCISED IN THE GENERAL MEETING OF THE MEMBERS. EACH SHAREHOLDER IS ENTITLED TO DIVIDEND, WHICH IS PROPOSED BY THE DIRECTORS AND APPROVED BY THE MEMBERS IN GENERAL MEETING AND THE SAME IS PAYABLE IN INDIAN RUPEES			
<b>(c) List of shareholders holding more than 5% of the total number of shares</b>			
Mrs. Nina B Kothari	<b>232893(34.61%)</b>	232893(34.61%)	
Mr. B. H. Kothari (HUF)	<b>105309(15.65%)</b>	105309(15.65%)	
Century Foods Pvt Ltd	<b>200340(29.78%)</b>	200340(29.78%)	
Mr. Arjun B Kothari	<b>78000(11.59%)</b>	78000(11.59%)	
<b>(d) As per the Scheme of arrangement offering exit route to public shareholders sanctioned by the National Company Law Tribunal (NCLT) further to the option exercised by the members, reduction by the cancellation of paid up capital to the extent of 227119 equity shares of Rs.10 each at the price of Rs. 60/- per share was effected on 07.12.2017.</b>			
<b>Note No.2 Reserves and Surplus</b>			
<b>(a) General Reserve</b>			
As per last Balance Sheet	<b>1746.00</b>	1250.00	
Add: Transfer from Profit and Loss A/c	<b>0.00</b>	0.00	
Add: Transfer from Statutory Reserve on ceasing to be NBFC	<b>0.00</b>	496.00	
	<b>1746.00</b>	1746.00	
<b>(b) Surplus in the statement of Profit and Loss</b>			
As per last Balance Sheet	<b>516.88</b>	253.55	
Dividend Paid on 7th August 2019	<b>(13.46)</b>	0.00	
Dividend Distribution Tax thereon	<b>(2.77)</b>	0.00	
Profit for the Year	<b>192.56</b>	263.33	
	<b>693.21</b>	516.88	
<b>TOTAL (a + b)</b>	<b>2439.21</b>	2262.88	

<b>Notes on Financial Statements</b>		(Rs. in lakhs)	
<b>PARTICULARS</b>	<b>31.03.2020</b>	31.03.2019	
<b>Note No.3 Other Long-Term Liabilities</b>			
Other Long-Term Liabilities	<b>0.00</b>	0.00	
	<b>0.00</b>	0.00	
<b>Note No.4 Other current liabilities</b>			
Locker Deposit	<b>797.60</b>	758.05	
Locker, Package and Vault Fees Advance	<b>233.01</b>	204.24	
Statutory Liabilities	<b>9.33</b>	3.60	
Unpaid Dividend *	<b>3.98</b>	4.62	
Unpaid on Capital reduction **	<b>18.44</b>	18.44	
Other Payables	<b>30.07</b>	42.27	
	<b>1092.43</b>	1031.22	
* Represent dividend warrants issued to shareholders which remained unrepresented at the year end.			
** Represent cheques issued to shareholders on capital reduction, which remained unrepresented.			
at the year end. Amount due, pending to be credited to Investor Education and Protection Fund - Nil			
<b>Note No 5 Short-term Provisions</b>			
Provision for Leave encashment and Superannuation Fund	<b>2.91</b>	2.60	
Provision for Gratuity	<b>3.47</b>	0.00	
Provision for Sales Tax	<b>1.48</b>	1.48	
	<b>7.86</b>	4.08	

<b>NOTE 6 - PROPERTY, PLANT &amp; EQUIPMENTS</b>											(Rs. in lakhs)
PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION / IMPAIRMENT					NET BLOCK	
	As At 01.04.2019	Additions during the year	Deletions during the year	As At 31.03.2020	Up to 31.03.2019	FOR THE YEAR	Deletions during the Year	Up to 31.03.2020	Lease Terminal Adjustment	As At 31.03.2020	As At 31.03.2019
<b>TANGIBLE ASSETS OWNED &amp; USED</b>											
Land	155.87	335.47	0.00	<b>491.34</b>	0.00	<b>0.00</b>	0.00	<b>0.00</b>	0.00	<b>491.34</b>	155.85
Land & Buildings	77.67	181.28	0.00	<b>258.95</b>	33.69	<b>6.15</b>	0.00	<b>39.84</b>	0.00	<b>219.11</b>	43.99
Strong Room	22.98	24.82	0.00	<b>47.80</b>	17.02	<b>0.95</b>	0.00	<b>17.97</b>	0.00	<b>29.83</b>	5.96
Lockers	394.03	11.22	0.00	<b>405.25</b>	309.35	<b>13.68</b>	0.00	<b>323.03</b>	0.00	<b>82.22</b>	84.69
Plant & Machinery	70.99	6.95	0.00	<b>77.94</b>	54.28	<b>4.46</b>	0.00	<b>58.74</b>	0.00	<b>19.20</b>	16.71
Vehicles	13.31	0.00	0.00	<b>13.31</b>	12.10	<b>0.23</b>	0.00	<b>12.33</b>	0.00	<b>0.98</b>	1.21
Furnitures & Fittings	21.41	8.68	0.00	<b>30.09</b>	19.27	<b>1.26</b>	0.00	<b>20.53</b>	0.00	<b>9.56</b>	2.14
Office Equipments	7.84	0.05	0.00	<b>7.89</b>	7.25	<b>0.14</b>	0.00	<b>7.39</b>	<b>0.00</b>	<b>0.50</b>	0.59
<b>TOTAL (A)</b>	<b>764.10</b>	<b>568.47</b>	<b>0.00</b>	<b>1332.57</b>	<b>452.96</b>	<b>26.87</b>	<b>0.00</b>	<b>479.83</b>	<b>0.00</b>	<b>852.74</b>	<b>311.13</b>
<b>OWNED &amp; LEASED</b>											
Plant & Machinery	99.10	0.00	0.00	<b>99.10</b>	98.45	<b>0.00</b>	0.00	<b>98.45</b>	0.65	<b>0.00</b>	0.00
Office Equipments	0.14	0.00	0.00	<b>0.14</b>	0.14	<b>0.00</b>	0.00	<b>0.14</b>	0.00	<b>0.00</b>	0.00
<b>TOTAL (B)</b>	<b>99.24</b>	<b>0.00</b>	<b>0.00</b>	<b>99.24</b>	<b>98.59</b>	<b>0.00</b>	<b>0.00</b>	<b>98.59</b>	<b>0.65</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL (A+B)</b>	<b>863.34</b>	<b>568.47</b>	<b>0.00</b>	<b>1431.81</b>	<b>551.55</b>	<b>26.87</b>	<b>0.00</b>	<b>578.42</b>	<b>0.65</b>	<b>852.74</b>	<b>311.13</b>
<b>INTANGIBLE ASSETS</b>											
Software	6.85	14.50	0.00	<b>21.35</b>	2.80	<b>2.95</b>	0.00	<b>5.75</b>	0.00	<b>15.59</b>	4.05
<b>GRAND TOTAL</b>	<b>870.19</b>	<b>582.97</b>	<b>0.00</b>	<b>1453.16</b>	<b>554.35</b>	<b>29.82</b>	<b>0.00</b>	<b>584.17</b>	<b>0.65</b>	<b>868.33</b>	<b>315.18</b>
Previous Year	934.13	18.37	82.32	870.17	606.58	25.97	78.20	554.35	0.65	315.18	326.90



<b>NOTE No.7 INVESTMENTS (NON-CURRENT) - LONG TERM</b>					<b>(Rs. in lakhs)</b>
Name of the Company	Cost as on 31.03.2020		Cost as on 31.03.2019		
	No. of Shares/Units	Book Value	No. of Shares/Units	Book Value	
<b>A. EQUITY SHARES-QUOTED</b>					
Adani Port & SEZ Ltd	1800	2.44	1800	2.44	
Axis Bank Ltd	300	1.20	300	1.20	
HDFC Limited	200	2.27	200	2.27	
HDFC Bank Ltd	300	1.23	300	1.23	
Hindalco Ltd	1500	1.61	1500	1.61	
ICICI Bank Ltd	1512	2.49	1512	2.49	
ITC Limited	600	2.10	600	0.61	
Karnataka Bank Ltd*	4312	2.29	3920	2.29	
Larsen & Toubro Ltd	3150	18.04	3150	18.04	
Reliance Industries Ltd	2780	8.95	2780	8.95	
State Bank of India	750	1.19	750	1.19	
Tata Steel Ltd	300	0.94	300	0.94	
TCS Ltd	394	2.11	394	2.11	
<b>Total (A)</b>	-	<b>46.86</b>	-	45.37	
<b>B. EQUITY SHARES-UNQUOTED</b>					
Southern India Depository Services (Pvt) Ltd	30000	3.00	30000	3.00	
Madras Enterprises Ltd	50000	3.00	50000	3.00	
<b>Total (B)</b>		<b>6.00</b>		6.00	
<b>C. MARKET LINKED DEBENTURES-QUOTED</b>					
Tata Capital Services Ltd-Sr-Tr A-2018-19	9	92.68	0.00	0.00	
TR II NCD 14 April 21-F.V. Rs.10.00 Lakhs					
<b>Total (C)</b>		<b>92.68</b>		6.00	
<b>D. MUTUAL FUNDS-QUOTED</b>					
Birla Credit Risk Fund-Direct-(G)	936694.3380	115.00	936694.3380	115.00	
Birla Medium Term Plan-Direct-(G)	1002688.8890	189.50	1002688.8890	189.50	
DHFL Pramerica Dynamic Bond Fund-Direct-(G)	0.0000	0.00	1506.2570	20.00	
DHFL Pramerica Short Maturity Fund-Direct-(G)	0.0000	0.00	40326.6350	11.13	
DSP Equity Fund-Direct-(G)	9363.6800	3.90	0.0000	0.00	
DSP Top 100 Fund-Direct-(G)	1982.3310	3.90	0.0000	0.00	
Franklin Equity Savings Fund-Direct-(D)	150000.0000	15.00	150000.0000	15.00	
Franklin FMP Series 3 Plan B-Direct-(G)	100000.0000	10.00	100000.0000	10.00	
Franklin FMP Series 3 Plan E-Direct-(G)	350000.0000	35.00	350000.0000	35.00	
Franklin Ultra Short Bond Fund-Direct-(G)	495771.6050	134.99	170680.5010	43.61	
HDFC Credit Risk Fund-Direct-(G)	3153803.9654	445.93	3153803.9654	445.93	
HDFC Equity Fund-Direct-(G)	700.1060	3.90	0.0000	0.00	
HDFC Equity Opp. Fund Series II -Direct-(D)	200000.0000	20.00	200000.0000	20.00	

<b>NOTE No.7 INVESTMENTS (NON-CURRENT) - LONG TERM .....Contd.....</b>				<b>(Rs. in lakhs)</b>	
<b>Name of the Company</b>	<b>Cost as on 31.03.2020</b>		<b>Cost as on 31.03.2019</b>		
	<b>No. of Shares/Units</b>	<b>Book Value</b>	<b>No. of Shares/Units</b>	<b>Book Value</b>	
HDFC Equity Savings Fund-Direct-(D)	339927.1670	42.00	339927.1670	42.00	
HDFC Highbrid Debt Fund-Direct-(G)	463397.6300	204.74	463397.6300	204.74	
HDFC Housing Opp. Fund -Direct-(D)	300000.0000	30.00	300000.0000	30.00	
HDFC FMP 1141D Aug 2018(1)-Direct-(G)	400000.0000	40.00	400000.0000	40.00	
HDFC Midcap Opp. Fund-Direct-(G)	7534.2300	3.90	0.0000	0.00	
IDBI Short Term Bond Fund -Direct-(G)	0.0000	0.00	290632.4140	40.26	
Kotak Bluechip Fund-Direct-(G)	1697.9730	3.90	0.0000	0.00	
Kotak Emerging Equity Fund-Direct-(G)	9643.1520	3.90	0.0000	0.00	
Kotak Standard Multicap Fund-Direct-(G)	11393.3380	3.90	0.0000	0.00	
L&T Credit Risk Fund-Direct-(G)	0.0000	0.00	516213.5410	76.50	
L&T Resurgent India Bond Fund-Dir-(G)	0.0000	0.00	329085.1980	33.50	
Nippon Prime Debt Fund-Direct-(G)	0.0000	0.00	152733.8290	42.50	
Tata Value Series 2 Fund-Direct-(D)	100000.0000	10.00	100000.0000	10.00	
<b>Total (D)</b>		<b>1319.46</b>		<b>1424.67</b>	
<b>Non-Current Investments Total (A+B+C+D)</b>		<b>1465.00</b>		<b>1476.04</b>	
Less: Provision for Diminution		<b>35.04</b>		<b>8.12</b>	
<b>Investments Net of Provision</b>		<b>1429.96</b>		<b>1467.92</b>	

\* Includes Bonus Shares issued during the year.

<b>SUMMARY</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>A. Equity Shares-Quoted</b>		
Aggregate cost of Investments	<b>46.86</b>	45.37
Aggregate market value of Investments	<b>87.15</b>	129.44
Aggregate provision for diminution in value of Investments	<b>0.89</b>	NIL
<b>B. Equity Shares-Unquoted</b>		
Aggregate cost of Investments	<b>6.00</b>	6.00
Aggregate provision for diminution in value of Investments	<b>5.50</b>	5.50
<b>C. Market Linked Debentures-Quoted</b>		
Aggregate cost of Investments	<b>92.68</b>	0.00
Aggregate market value of Investments	<b>99.65</b>	0.00
Aggregate provision for diminution in value of Investments	<b>NIL</b>	NIL
<b>D. Mutual Funds-Quoted</b>		
Aggregate cost of Investments	<b>1319.46</b>	1424.67
Aggregate market value of Investments	<b>1483.11</b>	1662.27
Aggregate provision for diminution in value of Investments	<b>28.64</b>	2.63

<b>Notes on Financial Statements</b>		(Rs. in lakhs)	
<b>PARTICULARS</b>	<b>31.03.2020</b>	<b>31.03.2019</b>	
<b>Note No.8 Deferred Tax Asset</b>			
On Depreciation	<b>1.65</b>	5.69	
On Provision for Diminution on Investments	<b>35.84</b>	0.08	
On Expenses allowable on payment basis u/s 43B of IT Act	<b>2.05</b>	1.00	
	<b>39.54</b>	6.77	
<b>Note No.9 Long-term Loans and Advances</b>			
[Secured, Considered good]			
Advance to Staff	<b>2.71</b>	0.00	
Capital Advance	<b>0.00</b>	212.85	
Security Deposits	<b>0.86</b>	0.86	
Advances for leased premises	<b>3.43</b>	3.43	
	<b>7.00</b>	<b>217.14</b>	

<b>NOTE 10- INVESTMENTS-CURRENT</b>					(Rs. in lakhs)
Name of the Company	As on 31.03.2020		As on 31.03.2019		
	No. of Shares/Units	LOWER OF COST OR MARKET VALUE	No. of Shares/Units	LOWER OF COST OR MARKET VALUE	
<b>A. EQUITY SHARES-QUOTED</b>					
GE Shipping Ltd	<b>0</b>	<b>0.00</b>	500	1.42	
Power Finance Corporation. Ltd**	<b>900</b>	<b>0.00</b>	900	0.00	
Reliance Infrastructure Ltd	<b>0</b>	<b>0.00</b>	200	0.27	
Rural Electrification Corporation Ltd	<b>1100</b>	<b>0.15</b>	1100	0.15	
Sintex Plastics Technology Ltd	<b>1000</b>	<b>0.01</b>	1000	0.21	
Titan Industries Ltd**	<b>500</b>	<b>0.00</b>	500	0.00	
A. Equity Shares-Total		<b>0.16</b>		2.05	
<b>B. MUTUAL FUNDS</b>					
Birla Frontline Equity Fund - (D)	<b>86191.2840</b>	<b>15.55</b>	86191.2840	20.00	
Birla Frontline Equity Fund - Direct-(D)	<b>92210.0370</b>	<b>31.90</b>	92210.0370	31.90	
Birla Short Term Opp. Fund-Direct -(G)	<b>339312.3160</b>	<b>78.50</b>	339312.3160	78.50	
Birla Midcap Fund - (D)	<b>80320.7790</b>	<b>15.93</b>	80320.7790	21.00	
Birla Focussed Equity Fund - (D)	<b>69401.0690</b>	<b>7.99</b>	69401.0690	10.00	
Franklin Build India Fund-Direct-(D)	<b>60440.2650</b>	<b>8.97</b>	60440.2650	11.90	
Franklin India Blue Chip Fund-Direct- (D)	<b>47852.8670</b>	<b>12.97</b>	47852.8670	17.85	
Franklin Credit Risk Fund-Direct-(G)	<b>962646.7000</b>	<b>150.00</b>	962646.7000	150.00	

<b>NOTE 10- INVESTMENTS-CURRENT ..... contd..</b>				(Rs. in lakhs)
Name of the Company	As on 31.03.2020		As on 31.03.2019	
	No. of Shares/Units	LOWER OF COST OR MARKET VALUE	No. of Shares/Units	LOWER OF COST OR MARKET VALUE
Franklin Focussed Equity Fund-Direct-(D)	88015.7620	15.43	88015.7620	19.90
Franklin Income Opp. Fund-Direct-(G)	588243.8770	105.00	588243.8770	105.00
Franklin India Prima Fund - Direct-(D)	105958.0130	46.74	105958.0130	58.90
Franklin India Equity Fund -Direct- (D)	169016.5720	43.42	169016.5720	58.90
Franklin Short Term Income Plan-Direct-(G)	7786.9600	210.00	7786.9600	210.00
Franklin Smaller Cos. Fund-Direct-(D)	121603.2030	19.29	121603.2030	29.55
HDFC Balanced Advantage Fund-Direct-(D)	43462.9770	8.84	43462.9770	13.65
HDFC FMP 1178D Feb 2017(1)-Direct-(G)	300000.0000	30.00	300000.0000	30.00
HDFC FMP 1188D Mar 2017(1)-Direct-(G)	420000.0000	42.00	420000.0000	42.00
HDFC FMP 1199D Jan 2017(1)-Direct-(G)	360000.0000	36.00	360000.0000	36.00
HDFC Medium Term Fund -Direct - (G)	115775.4350	30.50	115775.4350	30.50
HDFC Midcap Opp. Fund - Direct-(D)	110626.7541	24.85	110626.7541	31.00
HDFC Hybrid Equity Fund- Direct - (D)	173754.7580	15.89	173754.7580	21.00
HDFC Ultrashort Bond Fund-Dir-(G)	272606.9650	28.92	0.0000	0.00
HDFC Top 100 Fund - Direct - (D)	19726.4080	6.19	19726.4080	9.70
HDFC Top 100 Fund-Direct-(G)	1525.9520	5.53	578.4630	1.95
IDBI India Top 100 Equity Fund - Direct - (D)	58815.2010	8.32	58815.2010	9.75
IDBI Hybrid Equity Fund - Direct - (D)	69400.2830	6.73	69400.2830	6.95
L&T Low Duration Fund-Direct-(G)	0.0000	0.00	586285.9030	79.00
PGIM India Insta cash Fund-Direct-(G)	7816.2000	20.00	0.0000	0.00
Nippon Credit Risk Fund-Debt-Direct-(G)	112328.7480	25.00	112328.7480	25.00
Nippon Strategic Debt Fund-Direct -(G)	618712.8000	68.58	618712.8000	85.00
UTI Master Share Unit - (D)	29377.2030	6.88	29377.2030	9.58
<b>B. Mutual Funds – Total</b>		<b>1125.92</b>		<b>1254.48</b>
<b>Current Investments Total (A+B)</b>		<b>1126.08</b>		<b>1256.53</b>

\*\* Only Bonus Shares are held in the portfolio

<b>SUMMARY</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>A. Equity Shares-Quoted</b>		
Aggregate cost of Investments	0.56	2.89
Aggregate market value of Investments	6.48	10.40
Aggregate provision for diminution in value of Investments	0.40	0.25
<b>B. Mutual Funds-Quoted</b>		
Aggregate cost of Investments	1228.87	1255.04
Aggregate market value of Investments	1402.82	1640.13
Aggregate provision for diminution in value of Investments	102.95	0.56

<b>Notes on Financial Statements</b>		(Rs. in lakhs)	
<b>PARTICULARS</b>	<b>31.03.2020</b>	31.03.2019	
<b>Note No. 11 Trade Receivables</b>			
Unsecured, considered good			
Over 6 months	<b>0.85</b>	2.18	
Others	<b>25.52</b>	8.51	
Considered Doubtful	1.99		
Less: Provision Non-Performing Asset	<u>1.99</u>	-	
	<b>26.37</b>	10.69	
<b>Note No.12 Cash and Cash equivalents</b>			
Cash on hand	<b>0.64</b>	0.98	
Cheques on Hand	<b>0.36</b>	2.70	
Balances with Banks			
-- Current Accounts	<b>37.43</b>	44.23	
-- Fixed Deposits	<b>37.98</b>	7.74	
-- Unpaid Dividend Account	<b>3.98</b>	4.62	
-- Unpaid Capital reduction Account	<b>18.44</b>	18.44	
	<b>98.83</b>	78.71	
<b>Note No.13 Short-term Loans and Advances</b>			
(Unsecured Considered good)			
Accrued Interest	<b>0.18</b>	0.21	
Advance payment of Income tax and TDS [Net of Provisions]	<b>9.96</b>	11.73	
Other Advances	<b>0.54</b>	0.59	
	<b>10.68</b>	12.53	
<b>Note No.14 Revenue from Operations</b>			
Income from Safe Vaults	<b>437.35</b>	400.56	
Income from Investments			
Dividends			
i) Long Term Investments	<b>4.05</b>	4.12	
ii) Current Investments	<b>27.10</b>	22.04	
Profit / (Loss) on Sale of Investments ( Net )			
i) Long Term Investments	<b>96.04</b>	134.98	
ii) Current Investments	<b>40.81</b>	14.98	
	<b>605.35</b>	576.68	
<b>Note No.15 Other Income</b>			
Rent Receipts	<b>25.41</b>	21.76	
Miscellaneous Income	<b>0.06</b>	3.91	
Interest on FD with Banks	<b>0.74</b>	0.50	
Profit on sale of assets	<b>0.00</b>	0.12	
Excess Liability written back	<b>7.38</b>	1.05	
	<b>33.59</b>	27.34	

<b>Notes on Financial Statements</b>		(Rs. in lakhs)	
<b>PARTICULARS</b>	<b>31.03.2020</b>	31.03.2019	
<b>Note No. 16 Employee Benefit Expenses</b>			
Salaries, Wages and Bonus	<b>88.66</b>	79.68	
Contribution to PF, Gratuity and other funds	<b>10.95</b>	9.79	
Staff Welfare Expenses	<b>6.03</b>	6.04	
	<b>105.64</b>	95.51	
<b>Note No.17 Other Expenses</b>			
Rent	<b>38.73</b>	37.56	
Rates & Taxes	<b>5.41</b>	4.07	
Printing & Stationery	<b>4.36</b>	1.90	
Postage & Telegram	<b>0.71</b>	0.48	
Telephones & Trunkcalls	<b>1.48</b>	1.87	
Electricity & Air conditioning charges	<b>10.15</b>	8.77	
Travelling & Conveyance	<b>0.78</b>	0.62	
Freight & Transportation	<b>1.19</b>	0.02	
Insurance	<b>0.47</b>	0.47	
Auditors Remuneration			
a. Audit Fees	<b>1.00</b>	1.00	
b. Expenses reimbursed	<b>0.04</b>	0.04	
c. Tax Audit Fees	<b>0.25</b>	0.25	
Repairs & Maintenance:			
a. Building	<b>8.79</b>	6.96	
b. Vaults	<b>0.28</b>	0.70	
c. Plant & Machinery	<b>6.24</b>	2.75	
Office Maintenance	<b>7.03</b>	6.60	
Advertisement & Business Promotion Expenses	<b>5.34</b>	27.46	
Directors' Sitting Fees	<b>2.10</b>	1.90	
Donation & Charities	<b>25.00</b>	25.00	
Professional / Consultant Charges	<b>29.99</b>	21.37	
Security Service Charges	<b>7.72</b>	6.95	
Miscellaneous Expenses	<b>3.33</b>	2.41	
	<b>160.39</b>	159.15	
<b>Note No.18 Provision for Diminution in value of Investments / (Withdrawn)</b>			
Current Investments	<b>101.94</b>	<b>0.04</b>	
Long-term Investments	<b>26.91</b>	<b>0.60</b>	
	<b>128.85</b>	0.64	

## NOTE 19 – SIGNIFICANT ACCOUNTING POLICIES & OTHER DISCLOSURES:

### A. Corporate Information:

The Company was incorporated on 10.1.1936 in the name of Madras Safe Deposit Company Ltd. and the name changed to Kothari Safe Deposits Ltd on 9.7.1996. The main object of the Company is providing safe deposit locker services, investment of surplus funds in shares and securities and lending. The Company was registered with the Reserve Bank of India as a Non-deposit taking NBFC and at the request of the company the Certificate of Registration stands cancelled by RBI on 07.05.2018. The Company was listed with Madras Stock Exchange till 13<sup>th</sup> January 2015 and was placed before the Dissemination Board of NSE as per SEBI guidelines. As per the Scheme of arrangement offering exit route to public shareholders sanctioned by the National Company Law Tribunal (NCLT), further to the option exercised by the members, reduction by cancellation of paid up capital to the extent of 227119 equity shares of Rs.10 each at the price of Rs.60 per share was effected on 7.12.2017. Subsequent to reduction of capital as per the NCLT Order, the Company was removed from Dissemination Board by NSE vide Circular Reference No.1.3.86/2018 dated 21.12.2018.

### B. Statement of significant accounting policies:

#### 1. Basis of preparation of financial statements

The Financial Statements of the company have been prepared under the historical cost convention on going concern basis in accordance with the Generally Accepted Accounting Principles and the Accounting Standards issued by the Institute of Chartered Accountants of India specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

#### 2. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

#### 3. Income Recognition:

- a) Income from safe vault is recognised over the period to which it relates.
- b) Profit / Loss on sale / redemption of investments is recognised on trade date.
- c) Dividend Income is recognised when the right to receive the income arises.

#### 4. Property, Plant & Equipments and Depreciation/Impairment:

- a) Property, Plant & Equipments (Fixed Assets) are carried at historical cost less accumulated depreciation.
  - i) Depreciation on Property, Plant & Equipments is provided on written down value method based on the useful life of the assets as per Schedule II of the Companies Act, 2013.

Assets	Useful life
Buildings/ Strong Room	.. 60 years
Lockers	.. 15 years
Plant & Machinery	.. 15 years
Vehicles -Motor Car	.. 8 years
-Motor cycle	.. 10 years
Furniture & Fittings	.. 10 years
Computer Server	.. 6 years
Computers	.. 3 years
Office Equipments	.. 5 years
Software	.. 4 years

Assets costing less than Rs.5000 are depreciated fully in the year of purchase.

- ii) Impairment of asset is recognised when the carrying amount exceeds its recoverable amount.

- b) Cost of leased assets has been amortised during the lease period as per the Guidance Note issued by the Institute of Chartered Accountants of India.

## 5. Investments:

Investments readily realisable and intended to be held for not more than one year are classified as Current Investments. All other investments are classified as Long-term investments. Long Term investments are stated at cost with provision for diminution other than temporary in nature. Current Investments (including securities held as stock in trade) are valued at lower of cost or market value.

## 6. Employee Benefits:

Provident Fund contributions are remitted to the Provident Fund Commissioner and Superannuation contributions to Reliance Life Insurance Company Ltd. at a specified percentage and both are defined contribution plans. Contributions are made for the Gratuity benefits, which is a defined benefit plan funded with LIC of India, as ascertained by them on actuarial basis under Projected Unit Credit method. Leave Encashment being a benefit in the nature of short term compensated absence, is accounted on undiscounted basis.

## 7. Taxation:

Current tax is provided on the taxable income for the year determined based on the provisions of Income Tax Act. Deferred Tax resulting from timing difference is accounted for at the current rate of tax. Deferred Tax Asset is recognised based on prudence.

## 8. Provisions & Contingent Liabilities:

Provisions are recognised for known liabilities that can be measured where the Company has a present obligation as a result of past events. Contingent Liabilities, if any, are disclosed by way of note.

## 9. Segment Reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in the financial statements. Revenue and expenses have been identified to the segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable expenses.

## C. Other Disclosures:

1. (a) Advance payment of Income Tax, TDS Rs.9.96 lacs (Previous Year: Rs.11.73 lacs) [net of Rs.4.90 lakhs payable (Previous year: including Rs.5.42 lakhs) representing income tax, interest tax refund receivable, net of payable amounting to Rs. 14.91 lakhs (Previous year Rs.17.59 lakhs)] is net of provision for Income Tax of Rs.106.00 lakhs (Previous year Rs.169.50 lakhs) and after MAT Credit Entitlement Rs.13 lakhs). The company does not expect any outgo towards the liability of Rs.11.49 lakhs (Previous Year: Rs.12.49 lakhs), as the matters have been remitted back to Assessing Officer by the Tribunal and Rs.3.42 lakhs being the excess refund received is being paid back.

(b) On appeal for the year 1989-90 to 1992-93 towards Rs.1.48 lakhs disputed penalty of Sales tax, which has been provided for not deposited, the Appellate commissioner has remanded the matter back to Assessing Officer.

(c) Income Tax demand of Rs. 9.42 lacs for Asst. Year: 2018-19 has been raised by the Dept. without considering the Company's reply for which rectification petition has been filed. The company does not expect any outgo towards this liability

3. Provision for Current Tax for the year Rs.67 lakhs has been made as per regular tax working and MAT credit Rs.13 lakhs has been availed and balance MAT credit Rs.4.40 (Previous year Rs. 17.40 lakhs) would be taken in the year of availment.

4. Estimated amount of contracts remaining to be executed on capital account not provided for (net of advance) Rs. Nil (Previous Year: Rs.263.35 lakhs)

5. Further to Supreme Court decision in Feb.2019, PF contribution liability has been provided prospectively from March 2019 to March 2020 Rs.1.77 lacs which is being paid and contingent liability for April 2018 to Feb.2019 is Rs 0.64 lakhs

6. Dues, interest payable/paid to Micro, Small and Medium Enterprises –Nil



7. Related Party Disclosures:

i) Kothari Sugars & Chemicals Ltd. Common expenses share	Significant influence by Directors Rs.3.93 lakhs (Previous year Rs. 3.80 lakhs)
ii) Kothari Petrochemicals Ltd	Significant influence by Directors
a) Rent Deposit received	Rs.13.80 lakhs (Previous year Rs.13.80 lakhs)
b) Rental income	Rs. 25.41 lakhs (Previous year Rs.21.76 lakhs)
c) Safe Vault income	Rs. 0.10 lakhs (Previous year Rs. 0.10 lakhs)
d) Rent Receivable	Rs.2.50 lakhs (Previous Year: Nil)
iii) Century Foods Pvt. Ltd. Rent paid	Significant influence by Directors Rs. 7.80 lakh (Previous year Rs. 7.80 lakhs)
iv) Parasakthi Trading Pvt. Ltd. Rent paid	Significant influence by Directors Rs. 7.18 lakh (Previous year Rs. 7.18 lakhs)
v) Shyam Kothari Foundation Donation given	Significant influence by Directors Rs. 25.00 lakh (Previous year Rs.25.00 lakhs)
vi) Ms.Nina B.Kothari Safe Vault income	Chairperson Rs. 1.80 lakhs (Previous year Rs. 1.80 lakhs)

8. Disclosure as required under AS-15 (Revised): (Rs. in lakhs)

**Gratuity fund with LIC**

	31.3.2020	31.3.2019
i) Present value of projected benefit obligation as at the beginning of the year	25.48	26.33
ii) Service cost	1.34	1.18
iii) Interest cost	1.91	2.11
iv) Actuarial (Gain) / Loss	2.04	1.96
v) Benefits paid	(4.76)	(6.10)
vi) Present value of projected benefit obligation as at the end of the year	26.01	25.48
vii) Fair value of Plan assets as at the end of the year	24.38	27.32
viii) Expected return on Plan Assets	1.82	1.84
ix) (Liability) recognized /Asset to be recognised in the Balance Sheet	(1.63)	1.84
x) Expenses recognized in statement of Profit & Loss	3.47	3.41
xi) Actuarial assumptions:		
a) Discount rate	7.25%	7.50%
b) Future Salary Escalation	6.00%	7.50%

9. Basic and Diluted Earnings Per Share:

	<b>2019-20</b>	2018-19
i) Profit / (Loss) After Tax (Rs.in lakhs)	192.56	263.33
ii) Number of Equity Shares of Rs. 10 each outstanding	672881	672881
iii) Weighted Average Number of Equity Shares of Rs.10 each	672881	672881
iv) Earning Per Share (Basic & Diluted)	Rs. 28.62	Rs. 39.13

10. The Board of Directors have not recommended any Dividend for the year 2019-20. (Previous Year: Rs. 2 per share).

11. COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity impacting business operation of the companies and the Company, to some extent, has been affected by the lack of demand for the lockers and diminution in the value of its investments. The Company has made assessment of its liquidity position for the next one year taking into consideration the available information till the approval of these financial statements, of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible Assets, Investments and Loans and Advances and has concluded that there are no material adjustments required in the financial statements, in this regard.

12. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the classification/disclosure for the current year.

### C. Segment Information for the year ended 31.03.2020

The Company has considered business segment as the primary segment for disclosure.

The business segments are: Safe Vault services and Investments including Financing.

The segments have been identified taking into account the differing risks and returns of these segments.

(Rs.in lakhs)

Particulars	Safe Vault Services		Financial including Investments		Un-allocable		Consolidated	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Revenues</b>	<b>437.35</b>	400.56	<b>168.00</b>	176.11	<b>33.59</b>	27.34	<b>638.94</b>	604.01
Expenses & Provisions	179.17	171.87	138.33	6.67	77.38	76.76	394.88	255.30
Depreciation	29.79	25.93	0.00	0.00	0.03	0.04	29.82	25.97
<b>Segment Result</b>	<b>228.39</b>	202.76	<b>29.67</b>	169.44	<b>(43.82)</b>	(49.46)	<b>214.24</b>	322.74
Profit before tax							214.24	322.74
Taxation (Net)							21.68	59.41
Profit after tax							192.56	263.33
<b>OTHER INFORMATION</b>								
Segment Assets	<b>940.21</b>	560.47	<b>2594.39</b>	2724.54	<b>72.18</b>	80.46	<b>3606.78</b>	3365.47
Segment Liabilities	<b>1045.68</b>	995.85	<b>1.47</b>	1.47	<b>53.13</b>	37.98	<b>1100.28</b>	1035.30
Capital Expenditure	<b>582.98</b>	231.22	--	--	--	--	<b>582.98</b>	231.22
Significant Non-cash expenses other than depreciation	-	-	-	-	-	-	-	-