



# BHARAT SHAH & ASSOCIATES

CHARTERED ACCOUNTANT

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phones : (022) : 2348 3536 • Telefax : (022) 2348 1027  
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## INDEPENDENT AUDITOR'S REPORT

To the Members of JPT Share Services Private Limited

Report on the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **JPT Share Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

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

The company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is other information included in Board of Directors Report including Annexure to such report but does not include the financial statements and our Auditor's 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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.





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## Responsibilities of Management and Those Charged with Governance for the Ind AS 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 IndASfinancial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 IndASfinancial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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 Ind AS Financial Statement

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





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- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 relevant books of account.

In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.





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- 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 with reference to these Ind AS financial statements 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 the requirements of section 197(16) of the Act, as amended; we would like to state that the remuneration which is paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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:
- The Company does not have any pending litigations which would impact its financial position in its Ind AS financial statements ;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**AS PER OUR REPORT OF EVEN DATE**

**For BHARAT SHAH & ASSOCIATES,**

**Chartered Accountants**

**(Firm Reg. No.: 101249W)**

**(BHARAT A. SHAH)**

**PROPRIETOR**

**Membership No.32281**

**UDIN: 20032281AAAAAJ8238**

**PLACE: Mumbai**

**DATE : 08/07/2020**





# BHARAT SHAH & ASSOCIATES

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## Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of JPT SHARE SERVICES PRIVATE LIMITED ("the Company") for the year Ended on 31st March, 2020. We report that:

- 1)(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.
  - (c) The Company does not hold any immovable property; hence clause (c) is not applicable.
- 2) The Company doesn't have any inventory, hence the clause of the Para 3 (ii)(a), (b) and (c) is Not Applicable.
- 3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. And hence the clause of the Para 3 (iii)(a), (b) and (c) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- 5) According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- 6) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section(1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2020, for the period of more than six months from the date becoming payable except TDS on Contractor payable of Rs.380/-.
  - (b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excess Duty, VAT and cess on account of any dispute which have not been deposited.
- 8) The Company does not have any loans or borrowings from any financial institution, bank, Government or dues to debentureholders during the year. Hence this clause is not applicable.



# JPT Shares Services Private Limited

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

Particulars	Note	Amount in Rs	
		For the year ended March 31, 2020	For the year ended March 31, 2019
<b>REVENUE</b>			
Revenue from Operations		-	-
Other Income	11	16,290	25,710
Total Revenue		16,290	25,710
<b>EXPENSES</b>			
Depreciation and Amortisation Expenses	2	240,496	467,894
Other Expenses	12	322,124	456,291
Total Expenses		562,620	924,185
<b>Profit / (Loss) Before Tax</b>		(546,330)	(898,475)
Tax Expense - Current Tax		-	-
- Deferred Tax		(22,250)	(83,206)
<b>Profit (Loss) After Tax</b>		(524,080)	(815,269)
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Total Comprehensive Income for the year</b>		(524,080)	(815,269)
Earnings per Equity share of Rs. 10/- each	19		
- Basic (In Rupees)		(0.30)	(0.46)
- Diluted (In Rupees)		(0.30)	(0.46)
Significant Accounting Policies	1		
Notes on Financial Statements	2-20		

AS PER OUR REPORT OF EVEN DATE  
For BHARAT SHAH & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 101249W

  
BHARAT A. SHAH  
PROPRIETOR  
Membership No. 32281

Place: Mumbai  
Date : 08-07-2020



For and on behalf of the Board of Directors

  
Jay Mehta  
Director  
DIN: 02687677

  
Arun Sahu  
Director  
DIN: 02591407

Place: Mumbai  
Date : 08-07-2020



# JPT Shares Services Private Limited


## Cash Flow Statement

Sr. No.	Particulars	Mar-20	Mar-19
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit / (Loss) before Tax	(546,330)	(898,475)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	240,496	467,894
	Interest Income	(16,290)	(25,710)
	Impairment of Property, plant and equipments	5,030	
	<b>Operating profit before working capital changes</b>	<u>(317,094)</u>	<u>(456,291)</u>
	<b>Adjusted for</b>		
	Trade and Other Receivables	(2,091,281)	(13,657,890)
	Trade and Other Payables	3,280	(183,375)
	<b>Cash Generated from Operations</b>	<u>(2,405,095)</u>	<u>(14,297,556)</u>
	Direct Taxes (Paid) / Refund	(1,629)	
	<b>Net Cash from/(used in) Operating Activities</b>	<u>(2,406,724)</u>	<u>(14,297,556)</u>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Interest Received	16,290	25,710
	<b>Net Cash used in Investing Activities</b>	<u>16,290</u>	<u>25,710</u>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Short Term Borrowings (Net)	2,185,260	4,154,739
	<b>Net Cash Flow from Financing Activities</b>	<u>2,185,260</u>	<u>4,154,739</u>
	<b>Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)</b>	<u>(205,174)</u>	<u>(10,117,107)</u>
	Cash & Cash Equivalents - Opening balance	232,293	10,349,400
	Cash & Cash Equivalents - Closing balance	27,119	232,293

**Notes:**

- (1) The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 - Statement on Cash flows.
- (2) Figures in brackets indicate outflow.
- (3) Previous Year figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

AS PER OUR REPORT OF EVEN DATE  
For BHARAT SHAH & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 101249W

  
BHARAT A. SHAH  
PROPRIETOR  
Membership No. 32281

Place: Mumbai  
Date : 08-07-2020



For and on behalf of the Board of Directors

  
Jay Mehta  
Director  
DIN: 02687677

  
Arun Sahu  
Director  
DIN: 02591407

Place: Mumbai  
Date : 08-07-2020



Notes to Financial Statements

**Note 2**  
**PROPERTY, PLANT AND EQUIPMENT**

Particulars	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1-Apr-19	Additions during the year	Deductions/ Adjustments	As at 31-Mar-20	Upto 31-Mar-19	For the Year	Deductions / Adjustments	Upto 31-Mar-20	As at 31-Mar-19
<b>Tangible Assets</b>									
COMPUTER	509,050	-	5,030	504,020	361,000	92,886	-	453,886	50,134
ELECTRICAL FITTINGS	106,635	-	-	106,635	35,338	18,457	-	53,795	52,840
OFFICE EQUIPMENT	150,627	-	-	150,627	80,450	31,630	-	112,080	38,547
FURNITURE & FIXTURE	529,379	-	-	529,379	152,646	97,523	-	250,169	279,210
<b>Total</b>	<b>1,295,691</b>	<b>-</b>	<b>5,030</b>	<b>1,290,661</b>	<b>629,434</b>	<b>240,496</b>	<b>-</b>	<b>869,930</b>	<b>420,731</b>

Particulars	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1-Apr-18	Additions during the year	Deductions/ Adjustments	As at 31-Mar-19	Upto 31-Mar-18	For the Year	Deductions / Adjustments	Upto 31-Mar-19	As at 31-Mar-18
<b>Tangible Assets</b>									
COMPUTER	509,050	-	-	509,050	107,181	253,819	-	361,000	148,050
ELECTRICAL FITTINGS	106,635	-	-	106,635	10,434	24,903	-	35,337	71,298
OFFICE EQUIPMENT	150,627	-	-	150,627	22,865	57,585	-	80,450	70,177
FURNITURE & FIXTURE	529,379	-	-	529,379	21,059	131,587	-	152,646	376,733
<b>Total</b>	<b>1,295,691</b>	<b>-</b>	<b>-</b>	<b>1,295,691</b>	<b>161,539</b>	<b>467,894</b>	<b>-</b>	<b>629,433</b>	<b>666,258</b>

2.1 In accordance with the Ind-AS 36 on "Impairment of Assets", the Management during the year carried out an exercise of identifying the assets that may have been impaired. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.





**JPT Share Services Private Limited**

**Statement of Changes in Equity for the year ended March 31, 2020**

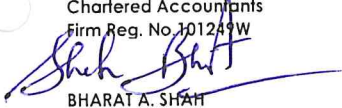
**A Equity Share Capital**

Particulars	Amount in Rs			
	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
Equity shares at the beginning of the year	1,760,000	17,600,000	760,000	7,600,000
Add: Shares Issued during the year	-	-	1,000,000	10,000,000
Equity shares at the end of the year	<u>1,760,000</u>	<u>17,600,000</u>	<u>1,760,000</u>	<u>17,600,000</u>

**B Other Equity**

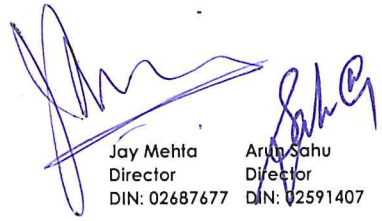
Particulars	Amount in Rs
	Retained Earnings
As at April 01, 2018	(776,390)
Loss for the year	(815,269)
As at March 31, 2019	<u>(1,591,659)</u>
Loss for the year	(524,080)
As at March 31, 2020	<u><u>(2,115,739)</u></u>

AS PER OUR REPORT OF EVEN DATE  
For BHARAT SHAH & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 101249W



BHARAT A. SHAH  
PROPRIETOR  
Membership No. 32281

Place: Mumbai  
Date : 08-07-2020

Jay Mehta      Arun Sahu  
Director        Director  
DIN: 02687677    DIN: 02591407

Place: Mumbai  
Date : 08-07-2020



# JPT Share Services Private Limited

## Notes to Financial Statements

### Note 3 DEFERRED TAX ASSETS

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Assets related to Property, plant and equipments	73,839	51,589	-
Total	<u>73,839</u>	<u>51,589</u>	<u>-</u>

### Note 4 OTHER NON CURRENT FINANCIAL ASSETS (Unsecured & considered good)

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Security Deposits	13,237,800	13,223,139	2,000,000
Total	<u>13,237,800</u>	<u>13,223,139</u>	<u>2,000,000</u>

### Note 5 CASH AND CASH EQUIVALANTS

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balances with Banks			
- In Current Accounts	11,523	216,597	10,333,506
Cash on Hand	15,596	15,696	15,894
Total	<u>27,119</u>	<u>232,293</u>	<u>10,349,400</u>

### Note 6 OTHER CURRENT FINANCIAL ASSETS (Unsecured & considered good)

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance recoverable in cash or in kind for value	8,074,084	5,997,463	3,565,283
Total	<u>8,074,084</u>	<u>5,997,463</u>	<u>3,565,283</u>

### Note 7 SHARE CAPITAL

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Equity Shares</b>			
Authorised			
35,00,000 (35,00,000) Equity Shares of Rs. 10/- each	<u>40,000,000</u>	<u>40,000,000</u>	<u>40,000,000</u>
Issued, Subscribed and Fully paid up			
17,60,000 (17,60,000) Equity Shares of Rs. 10/- Each (Fully Paid up)	17,600,000	17,600,000	17,600,000
Total	<u>17,600,000</u>	<u>17,600,000</u>	<u>17,600,000</u>

(a) **Reconciliation of Equity shares outstanding at the beginning and at the end of the year**

Particulars	Amount in Rs			
	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
Equity shares at the beginning of the year	1,760,000.00	17,600,000	760,000	7,600,000
Add: Shares Issued during the year	-	-	1,000,000	10,000,000
Equity shares at the end of the year	<u>1,760,000.00</u>	<u>17,600,000</u>	<u>1,760,000</u>	<u>17,600,000</u>

(b) **Shareholders holding more than 5% Shares in the Company**

Shares held by	As at March 31, 2020				As at March 31, 2019			
	No of Shares		% Holding		No of Shares		% Holding	
	No of Shares	% Holding	No of Shares	% Holding	No of Shares	% Holding	No of Shares	% Holding
JPT Securities Ltd	760,000	43.18	760,000	43.18	760,000	43.18	760,000	43.18
Nikhil P. Gandhi	1,000,000	56.82	1,000,000	56.82	1,000,000	56.82	1,000,000	56.82

(c) **Terms and Rights attached to Equity Shares**

The Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity share holders will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.



**JPT Share Services Private Limited**

**Notes to Financial Statements**

**Note 8**  
**Other Equity**

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Retained Earning			
- Balance at beginning of the year	(1,591,659)	(776,390)	-
- Add: Profit/(Loss) for the year	(524,080)	(815,269)	-
Total	<u>(2,115,739)</u>	<u>(1,591,659)</u>	-

**Note 9**  
**SHORT TERM BORROWINGS**

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured Loans from:			
Holding Company	2,684,739	2,684,739	-
Others	3,655,260	1,470,000	-
Total	<u>6,339,999</u>	<u>4,154,739</u>	-

**Note 10**  
**OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	Amount in Rs		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Statutory Dues	380	21,720	18,300
Other Payables	96,620	72,000	258,794
Total	<u>97,000</u>	<u>93,720</u>	<u>277,094</u>

**Note 11**  
**OTHER INCOME**

Particulars	Amount in Rs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income From FD	16,290	25,710
Total	<u>16,290</u>	<u>25,710</u>

**Note 12**  
**OTHER EXPENSES**

Particulars	Amount in Rs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Payment to Auditors		
- Audit Fees	29,500	29,500
Annual Maintenance charges	-	37,996
Demat Charges	15,045	25,468
Professional Fees	11,250	4,500
Office expenses	-	62,013
ROC Filing Fees	3,648	16,060
Electricity Charges	127,765	91,710
Printing and Stationary	-	3,856
Prior period expenses	-	89,763
Telephone Expenses	128,488	54,666
Web Design	1,298	3,894
GST late filing fees	-	30,560
Interest and Penalty on TDS	100	6,305
Impairment of Property, plant and equipments	5,030	-
Total	<u>322,124</u>	<u>456,291</u>



# JPT Share Services Private Limited

## Notes to Financial Statements

### Note - 1

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### a General Information

JPT Shares Services Private Limited was incorporated on 07th September, 2010. The Company is domiciled in India having registered office at SKIL Hse, 209, Bank Street Cross Lanne, Fort, Mumbai-400 023. The Company is mainly engaged as a Deposit Based Trading Member of Cash Segment and Equity Derivatives Segment of BSE and NSE.

##### b Basis of Preparation of Financial Statements:

These financial statements have been prepared in compliance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, on the accrual basis. These Financial Statements are the Company's first Ind AS Financial Statements and as covered by Ind AS 101, 'First-time adoption of Indian Accounting Standard'. For all periods up to and including the year ended March 31, 2015, the Company has prepared its Financial Statements in accordance with Indian GAAP, including accounting standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), which is considered as "Previous GAAP". An explanation of how the transition to Ind-AS has affected the Company's equity and its net profits is provided in note no 20.

The financial statements were approved for issue by the Board of Directors on 8th July, 2020.

##### c Functional and Presentation Currency:

The Financial Statements are presented in Indian rupees which is the functional currency for the Company.

##### d Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and if material, their effects are disclosed in the notes to the Financial Statements.

##### Estimates and assumptions are required in particular for:

- i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.
- ii. **Recognition of deferred tax assets**  
A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.
- iii. **Recognition and measurement of other provisions**  
The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.
- iv. **Discounting of long-term financial liabilities**  
All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

##### f Current Versus Non Current Classification:

###### I. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset is current when it is:

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Expected to be realised within twelve months after the reporting period, or
  - 4 Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

###### II A liability is current when it is:

- 1 Expected to be settled in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Due to be settled within twelve months after the reporting period, or
  - 4 There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are treated as non - current.

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



Notes to Financial Statements

g Significant Accounting Policies:

I Property, Plant and Equipments:

- i. All other property, plant and equipments have been carried at value in accordance with the previous GAAP.
- ii. Property, plant and equipments are stated at cost net of central / value added tax less accumulated depreciation and impairment loss, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

II Depreciation:

- i. Depreciation on Tangible Fixed Assets is provided on the Straight Line Method over the useful life of assets prescribed in Part C of Schedule II to the Companies Act, 2013. The Management believes that the useful lives prescribed in Part C of Schedule II to the Companies Act, 2013 best represents the period over which management expects to use assets.
- ii. In respect of additions/extensions forming an integral part of existing assets, depreciation has been provided over residual life of the respective assets. Significant addition which are required to be replaced/performed at regular interval are depreciated over the useful life of their specific.

III Revenue Recognition:

- i. Interest income is recognized on a time proportion basis.
- ii. Dividend is considered when the right to receive is established.

IV Financial Instruments:

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

Financial Assets

I Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

II Initial recognition and measurement

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

III Financial Assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables.

IV Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

V Financial Assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

VI Investment in Subsidiary and Associates:

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

VII Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to profit or loss.

VIII Investment in Debt Instruments:

A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. Debt instruments included with in the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

IX Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

X Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instrument and trade receivables.

Financial Liabilities

I Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

II Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

III Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as

IV Loans and Borrowings

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

V Derecognition of Financial Liabilities

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



Notes to Financial Statements

**V Provision for Current and Deferred Tax:**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- > has a legally enforceable right to set off the recognised amounts; and
- > intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**ii. Deferred Tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rate and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised.

**Deferred tax assets and liabilities are offset only if:**

- > entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- > deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**VI Impairment of Assets:**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**VII Provision for Doubtful Debts and Loans and Advances:**

Provision is made in the accounts for doubtful debts, loans and advances in cases where the management considers the debts, loans and advances to be doubtful of recovery.

**VIII Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

**Note 13**

**CONTINGENT LIABILITIES AND COMMITMENTS**

There are no contingent liabilities during the year.

**Note 14**

In the opinion of the management, Current Assets, Loans and Advances are of the value stated, if realized in the ordinary course of business.

**Note 15**

**SEGMENT REPORTING**

Segment Information : The Company's main business is that of brokers, underwriters, moneylenders and financing. All other activities of the Company are related to the main business. As such there are no separate reportable segments, as per the Ind-AS 108 on Operating Segment



# JPT Share Services Private Limited

## Notes to Financial Statements

### Note 16

#### RELATED PARTY DISCLOSURES

##### a) List of Related parties

- 1 **Holding Company**  
JPT Securities Limited

##### b) Terms and Conditions of transactions with related parties

The Transactions from related parties are made on arm's length price. Outstanding balances at the year-end are unsecured and interest have been accounted on market rate except the advances which is merely reimbursement of expenses. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

##### c) Details of transactions with related parties

##### 1 With Holding company - JPT Securities Limited

Nature of Transactions	2019-20	2018-19
<b>Short Term Borrowings</b>		
Opening Balance	2,684,739.00	3,235,345.00
Received during the year	-	-
Returned during the year	-	550,606.00
Closing Balance	2,684,739.00	2,684,739.00

### Note - 17

#### FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include Investment, loans and advances, trade and other receivables, and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial decision and the appropriate financial risk governance framework for the Company.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

#### Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

#### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

#### Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, Letter of Credit and working capital limits.



# JPT Share Services Private Limited

## Notes to Financial Statements

### Note - 18

#### CAPITAL MANAGEMENT:

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of

### Note - 19

#### EARNING PER SHARE:

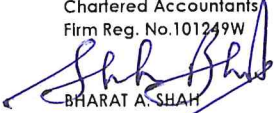
Particulars	2019-20	2018-19
Net Profit / (Loss) After Tax available for Equity Shareholders (in Rs.)	(524.080)	(815.269)
Weighted Average Number of Equity Shares of Rs. 10/- each outstanding during the year	1760000	1,760,000
Basic/Diluted Earning Per Share (in Rs.)	(0.30)	(0.46)

### Note 20

#### FIRST TIME ADOPTION OF Ind-AS:

Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, the Company has adopted March 31, 2020 as reporting date for first time adoption of Indian Accounting Standard (Ind-AS) and consequently April 1, 2018 as the transition date for preparation of financial statements. The financial statements for the year ended March 31, 2020, are the first financials, prepared in accordance with Ind-AS. Up to the financial year ended March 31, 2019, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standard) Rule, 2006. For preparing these financial statements, opening balance sheet was prepared as at April 1, 2018 i.e. the date of transition to Ind-AS. The figures for the previous periods and for the year ended March 31, 2019 have been restated, regrouped and reclassified, wherever required to comply with Ind-AS and Schedule III to the Companies Act, 2013 and to make them comparable.

AS PER OUR REPORT OF EVEN DATE  
For BHARAT SHAH & ASSOCIATES  
Chartered Accountants  
Firm Reg. No.101249W

  
BHARAT A. SHAH  
PROPRIETOR  
Membership No. 32281

Place: Mumbai  
Date : 08-07-2020



For and on behalf of the Board of Directors

  
Jay Mehta  
Director  
DIN: 02687677

  
Anil Sahu  
Director  
DIN: 02591407

Place: Mumbai  
Date : 08-07-2020

