



# Wallfort Financial Services Ltd.

(CIN - L65920MH1994PLC082992)

205A, Hari Chambers, S. B. Marg, Fort, Mumbai – 400001

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## **ABOUT THE COMPANY**

'Wallfort Financial Services Limited' (Wallfort) has expertise in the area of investment decision making. Wallfort helps its institutional clients in making well-informed investment decisions and mobilizes their funds to reap greater benefits and returns. We have further forayed into retail broking by distributing franchises at national level as well as depository services via our in-house depository NSDL.

We aim to provide insight and to add value to our institutional investment decisions of our clients. Specific client needs vary greatly and we tailor our offering and advice accordingly. Ultimately, the provision of original investment ideas, access to company management and liquidity lie at the core of our offering. Our research aims to provide differentiated, value added advice to our institutional clients. Through rigorous analysis we aim to generate both money-making ideas and thought-provoking views in order to help investors make money.

Our company is backed by highly professional management team, who offer excellent execution of orders, top class market reports and one of the best corporate research forming a comprehensive institutional equities platform. This team is led by the Chairman & Managing Director of the Company, Mr. Ashok Bharadia, who has over 34 years of experience in securities market.

At Wallfort, we invariably aim at offering services that transform into customer satisfaction as a result of our ethical business practice and transparency and that's what has enabled us to perform successfully.

## **VISION & MISSION**

The Wallfort Group's vision is to touch every aspect of life and create true wealth and development for our clients, consumers, employees, partners, shareholders and the community no matter how big or small.

## **APPROACH & PEOPLE**

We are in our own way innovative and enthusiastic. We emphasize adequate, thorough research local and world-wide developments, balancing these with the astute discovery of intrinsic values, synergies and growth. Our people are our greatest asset. Drawn from a diversity of professional backgrounds, their blend of experience, skill and dedication is shared with all our clients.

**WALLFORT TEAM**

**The Board of Directors**

**Ashok Bharadia**  
*Chairman and  
Managing Director*

**Sangeeta Bharadia**  
*Non-Executive Director*

**Ramkishor Darak**  
*Independent Director*

Statutory Auditors  
**S. Rakhecha & Co.**

**Deepak Lahoti**  
*Whole-time Director and  
Chief Financial Officer*

**Krishnagopal Biyani**  
*Independent Director*

**Niraj Kumar Totla**  
*Independent Director*

Internal Auditors  
**H. N. Bafna & Co.**

**Manoj Bharadia**  
*Whole-time Director*

**Ajay Mantri**  
*Independent Director*

**Nehal Savala**  
*Company Secretary &  
Compliance Officer*

Registrar and share  
transfer agents  
**Satellite Corporate  
Services  
Private Limited**

**Notice of 25<sup>th</sup> Annual General Meeting**

**Notice of 25<sup>th</sup> Annual General Meeting**

Notice is hereby given that the Twenty-Fifth (25<sup>th</sup>) Annual General Meeting of the members of Wallfort Financial Services Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 05.00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

**Ordinary Business:**

- 1) To receive, consider and adopt the audited financial statements of the Company as at March 31, 2020 along with the report of the Board and Auditors thereon.
- 2) To appoint a Director in place of Mr. Deepak Lahoti (DIN –01765511), Whole-time Director who retires by rotation and has offered himself for re-appointment.

**Special Business:**

- 3) To appoint Mr. Manoj Bharadia (DIN –00035385) as Whole-Time Director of the Company.

To consider and if thought fit pass the following resolution as a special resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) and the rules framed thereunder and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, approval of the members be and is hereby accorded to re-appoint Mr. Manoj Bharadia (DIN –00035385) as "Whole-Time Director" for a period of 3 years on expiry of his present term of office, i.e. with effect from 01 November, 2020 and shall be liable to retire by rotation.

The terms and conditions applicable for a period of 3 years from the date of appointment i.e 1<sup>st</sup> November, 2020 to 31<sup>st</sup> October, 2023 shall be as follows:

**I. Salary:**

Salary ranging between Rs. 50,000/- to Rs. 3,00,000/- per month and a bonus equivalent to four months' salary.

**II. Perquisites:**

1. Housing Society rent provided for the accommodation where he presently resides.
2. The expenses incurred by the appointee on gas, electricity, water, furnishing will be reimbursed.
3. All the medical expenses incurred for him and his family shall be reimbursed by the Company subject to a ceiling of 1 month's salary.
4. Leave Travel Concession for self and family once in every year as may be sanctioned by the Board.
5. Fees of club subject to a maximum of two clubs, this will include life membership fees.
6. Personal Accident Insurance, the premium for which shall not exceed Rs.10,000/- per annum.
7. Provision of a car with driver for use on companies business and telephones at residence.

8. Leave un-availed of to be allowed to be encashed as per the rules of the company.

### III. Commission

Commission upto 5% of the net profits of the Company.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject however to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to execute all such agreements/deeds/ documents as may be necessary and do all such acts deeds and things as may be necessary to give effect to the above resolution.”

- 4) Approval of Terms of Appointment of Mr. Deepak Lahoti, (DIN: 01765511) Whole time Director of the Company.

To consider and if thought fit pass the following resolution as a special resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) and the rules framed thereunder and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company, approval of the members be and is hereby accorded to below mentioned terms and conditions which shall be applicable for the balance term of Mr. Deepak Lahoti as Whole time Director (i.e. from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2022)

The terms and conditions applicable for a period of 2 years i.e. from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2022 shall be as follows:

#### I. Salary:

Salary ranging between Rs. 50,000/- to Rs. 3,00,000/- per month and a bonus equivalent to four months' salary.

#### II. Perquisites:

1. Housing Society rent provided for the accommodation where he presently resides.
2. The expenses incurred by the appointee on gas, electricity, water, furnishing will be reimbursed.
3. All the medical expenses incurred for him and his family shall be reimbursed by the Company subject to a ceiling of 1 month's salary.
4. Leave Travel Concession for self and family once in every year as may be sanctioned by the Board.
5. Fees of club subject to a maximum of two clubs, this will include life membership fees.
6. Personal Accident Insurance, the premium for which shall not exceed Rs.10,000/- per annum.
7. Provision of a car with driver for use on companies business and telephones at residence.
8. Leave un-availed of to be allowed to be encashed as per the rules of the company.

### III. Commission

Commission upto 5% of the net profits of the Company.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, Mr. Deepak Lahoti shall be paid the above remuneration as the Minimum Remuneration subject however to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and Mr. Deepak Lahoti.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to execute all such agreements/deeds/ documents as may be necessary and do all such acts deeds and things as may be necessary to give effect to the above resolution.”

#### 5) Approval of Related Party Transactions

To consider and if thought fit pass following resolution as Special Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, Regulation 23(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof for the time being in force) the approval of the members be and is hereby accorded to the Board of Directors to enter into the transactions with related parties on such terms & conditions as Board may deem fit within maximum amounts per annum as mentioned herein below.

Sr. No.	Nature of Transaction	Name of Related Party	Nature of relation	Amount
1	Rendering of Brokerage Services			100000
2	Payment of Rent	Mr. Ashok Bharadia	Managing Director	1500000
3	Payment of Rent	Mrs. Vandana Bharadia	Wife of Mr. Manoj Bharadia	1500000
4	Payment of Rent	Mrs. Deepa Bharadia	Promoter	1700000
5	Payment of Rent	Mrs. Megha Bhradia	Promoters Wife	1500000
6	Payment of Remuneration	Mrs. Aditi Bharadia	Relative of Ashok Bharadia as per IND As	800000
7	Payment of Remuneration	Mr. Aditya Maheshwari	Relative of Manoj Bharadia as per IND AS	800000
8	Payment of Remuneration	Mr. Sunil Bharadia	Relative of Promoter	800000
9	Payment of Remuneration	Mr. Aniket Bharadia	Relative of AshokBharadia	800000
10	Payment of Remuneration	Mr. Shreevallabh Bharadia	Relative of Ashok Bharadia	800000
11	Payment of Remuneration	Mr. Pratik Bharadia	Relative of Ashok Bharadia as per IND AS	800000
12	Payment of Remuneration	Mr. Abhishek Maheshwari	Relative of Manoj Bharadia as per IND AS	800000
13	Payment of Remuneration	Mrs. Neha Bharadia	Relative of Ashok Bharadia	800000
14	Payment of Remuneration	Mr. Keshav Bharadia	Relative of Manoj Bharadia	800000

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to ratify all the transactions entered into with related parties which were carried in Ordinary course of Business and at arm's length.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

**By Order of the Board  
For Wallfort Financial Services Limited**

**Sd/-  
Ashok Bharadia**  
Chairman & Managing Director  
(DIN – 00407830)

Date:10<sup>th</sup> August, 2020  
Place:Mumbai



**Notes:**

- a) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
- b) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- c) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent via registered email of the shareholder to email id of the Company cosec@wallfort.com and of the Scrutiniser – priti.pjsassociates@gmail.com
- d) The Members can join the AGM in the VC/OAVM mode 15 minutes before 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 available on first come first served basis.
- e) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, 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. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.wallfort.com](http://www.wallfort.com) website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL <https://www.evotingindia.com>
- f) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- g) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
- h) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- i) During the AGM, the Register of Directors and Key Managerial personnel and their Shareholding maintained under section 170, of the Act the Register of the contracts or arrangements in which Directors are interested under section 189 of Act shall be available for inspection electronically at <https://www.wallfort.com>.

- j) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar and Share Transfer Agents of the Company (RTA) i.e. M/s Satellite Corporate Services Private Limited in case the shares are held by them in physical form.
- k) As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's R & T Agents for assistance in this regard.
- l) Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations are requested to send their requests in Form SH 13 (which will be made available on request) to the RTA in case the shares are held in physical form and to their DP in case the shares are held by them in electronic form.
- m) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Issuer/RTA.
- n) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 28<sup>th</sup> September, 2020 through email on cosec@wallfort.com / deepak.lahoti@wallfort.com same will be replied by the Company suitably.
- o) **Remote E-Voting**  
In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in the Notice.
- p) **Voting Results**
  - i. The voting rights of members shall be in proportion to their shares of the paid up Equity Share Capital of the Company (i.e. One Vote for Every One Share held).
  - ii. The Company has appointed M/s. Priti J Sheth & Associates, Practicing Company Secretaries, to act as the scrutinizer.
  - iii. The Scrutinizer shall, immediately after the conclusion of voting at AGM, count the votes cast at AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
  - iv. The result declared along with the scrutinizer's report shall be placed on the notice board at the registered office of the Company and on the website of the Company. The Company shall also forward the results to BSE Limited, where the shares of the Company are listed.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- i. The voting period begins on Sunday, 27<sup>th</sup> September, 2020 at 09:00 a.m. and ends on Tuesday, 29<sup>th</sup> September, 2020 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23<sup>rd</sup> September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- iii. Click on Shareholders
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Wallfort Financial Services Limited on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at **cosec@wallfort.com** and RTA at **service@satellitecorporate.com**.
- ii. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company at **cosec@wallfort.com** and RTA at **service@satellitecorporate.com**.
- iii. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. 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.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance from their registered email address mentioning their name, demat account number/folio number, mobile number at **cosec@wallfort.com/deepak.lahoti@wallfort.com** from 25<sup>th</sup> September, 2020 to 27<sup>th</sup> September, 2020.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

- vii. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance from their registered email address mentioning their name, demat account number/folio number, mobile number at [cosec@wallfort.com](mailto:cosec@wallfort.com)/[deepak.lahoti@wallfort.com](mailto:deepak.lahoti@wallfort.com). These queries will be replied to by the company suitably by email.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM**

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility ,then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [priji.pjsassociates@gmail.com](mailto:priji.pjsassociates@gmail.com) / [cosec@wallfort.com](mailto:cosec@wallfort.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Rakesh Dalvi (022-23058542) or Mr. Mehboob Lakhani (022-23058543).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058738 / 022-23058542/43.

**Details of the Directors seeking appointment/re-appointment at the Twenty Fifth (25<sup>th</sup>) Annual General Meeting as per Companies Act, 2013, Secretarial Standards and the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.**

<b>Name of Director</b>	<b>Mr. Manoj Bharadia</b>	<b>Mr. Deepak Lahoti</b>
<b>Date of Birth</b>	31/05/1973	01/05/1975
<b>Age</b>	47	45
<b>Date of Appointment (Original)</b>	16/11/1994	01/04/2009
<b>Brief Resume and Experience</b>	He is a Commerce Graduate, promoter Director of the Company. He looks after trading administration and relationship management with clients and has rich experience in Capital Markets	He is a commerce graduate, promoter director of the Company and has an experience of more than 10 years in financial management and capital markets
<b>Expertise in specific functional areas</b>	Capital markets	Finance management, Capital markets
<b>Qualification</b>	B.Com	B.Com
<b>Terms and condition of appointment/re-appointment.</b>	Whole-time Director, liable to retire by rotation	N. A.
<b>Remuneration to be paid</b>	As approved by members	As approved by members
<b>Remuneration last drawn</b>	6,00,000/- p.a	9,00,000/- p.a
<b>Directorships held in other companies (excluding section 8 and foreign companies)</b>	Nil	Nil
<b>Memberships of committees across other companies (includes only Audit &amp; Shareholders'/ Stakeholder Relationship Committee)</b>	Nil	Nil
<b>Shares held in the Company</b>	1960360	318010
<b>Relationship with Directors, Manager and Key Managerial Personnel</b>	Mr. Manoj Bharadia & Mr. Ashok Bharadia are cousins	N A
<b>Number of Board Meetings attended during the Financial Year 2017-2018</b>	6	6

By Order of the Board  
**For Wallfort Financial Services Limited**  
**Sd/-**  
**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai



**Explanatory Statement**  
**Annexed to notice dated 10<sup>th</sup> August, 2020**  
**[Pursuant to Section 102 of the Companies Act, 2013]**

**ITEM NO. 3**

The members are hereby informed that Mr. Manoj Bharadia was appointed as Whole time Director for the term of 5 years and his term of office as Whole time Director expires on 31<sup>st</sup> October, 2020. Keeping in view his expertise and skills and pursuant to recommendation of Nomination and Remuneration Committee it is proposed to re-appoint Mr. Manoj Bharadia as Whole time Director for the term of 3 years w.e.f 1<sup>st</sup> November, 2020 on the terms and conditions as specified in the resolution appended in the Notice of AGM.

The Board of Directors in its meeting held on 10<sup>th</sup> August, 2020 have approved the appointment of Mr. Manoj Bharadia for the period of 3 years i.e from 1<sup>st</sup> November, 2020 to 31<sup>st</sup> October, 2023 subject to approval of members.

In accordance with provisions of Section 196 of the Companies Act 2013 the aforesaid appointment is subject to approval of members of the Company by means of Special Resolution.

Your Board accordingly seeks approval for the proposed appointment by way of passing a Special Resolution as appended in agenda item no. 3 of the notice of 25<sup>th</sup> AGM.

Apart from Mr. Manoj Bharadia none of the other Directors and Key Managerial Personnel or their relatives are in any way personally concerned with the resolution set out at item no. 3 of the notice convening the AGM except to the extent of their shareholding.

**I. GENERAL INFORMATION**

1. **Nature of Industry** : Share broking and Finance
2. **Date or expected date of commencement of commercial production** : Not Applicable
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** :  
Not Applicable
4. **Financial performance based on given indicators** : The net loss of the Company for the financial year ended March 31, 2020 was Rs. 234,456,296 /-
5. **Foreign investments or collaborations, if any**: The Company has not made any foreign investments and neither entered into any foreign collaboration.

**II. INFORMATION ABOUT THE APPOINTEE**

1. **Background details**: Mr. Manoj Bharadia is a Whole time Director of the Company. He looks after trading administration and relationship management with clients and has rich experience in Capital Markets.
2. **Past remuneration**: The remuneration drawn by him during the financial year ended March 2020 was Rs. 6,00,000/-
3. **Recognition or Rewards** : None

4. **Job profile and his suitability:** As a Whole time Director, he looks after trading administration and relationship management with clients.
5. **Remuneration proposed:** It is proposed to pay salary ranging between Rs. 50,000 to Rs. 3,00,000/- per month in addition commission upto 5% of net profit and perquisites as specified in the resolution above.
6. **Comparative remuneration profile:** Considering the responsibility shouldered by him for the enhancement of the business of the Company, proposed remuneration is commensurate with industry standards held in similar sized and similarly positioned business.
7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:** Does not have any pecuniary relationship with the Company except remuneration drawn as Whole time Director. Mr. Manoj Bharadia and Mr. Ashik Bharadia are cousins.

### III. OTHER INFORMATION

1. **Reasons of loss or inadequate profits:** This is primarily on account of outbreak of COVID 19 during Q4 of FY 2020 which led to a huge crash in the stocks which went on for entirety of March 2020.

Indian economy had already been going through a slowdown phase since FY 2019 due to declining asset qualities of banks and NBFCs, trade disputes and rising unemployment fears, but there was a cautious optimism about FY 2020. The occurrence of COVID-19 pandemic is a black swan event which no one could have anticipated.

2. **Steps taken or proposed to be taken for improvement:** The Company constantly endeavours to enhance the ambit of services provided and increase its market presence.
3. **Expected increase in productivity and profits in measurable terms:** The Company expects to increase its profits in the line with the increase in its activity and market penetration.

### ITEM NO. 4

The members are hereby informed that Mr. Deepak Lahoti was appointed as Whole time Director for the term of 5 years w.e.f 1<sup>st</sup> April, 2017 however his terms of appointment were approved by the members for 3 years (i.e. upto 31<sup>st</sup> March, 2020).

The Board of Directors in its meeting held on 13<sup>th</sup> February, 2020 have approved the terms of appointment of Mr. Deepak Lahoti for balance period of 2 years i.e from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2022 subject to approval of members.

In accordance with provisions of Section 196 of the Companies Act 2013 the terms are subject to approval of members of the Company by means of Special Resolution.

Your Board accordingly seeks approval for the proposed terms by way of passing a Special Resolution as appended in agenda item no. 4 of the notice of 25<sup>th</sup> AGM.

Apart from Mr. Deepak Lahoti none of the other Directors and Key Managerial Personnel or their relatives are in any way personally concerned with the resolution set out at item no. 4 of the notice convening the AGM except to the extent of their shareholding.

**I. GENERAL INFORMATION**

1. **Nature of Industry** : Share broking and Finance
2. **Date or expected date of commencement of commercial production** : Not Applicable
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** : Not Applicable
4. **Financial performance based on given indicators** : The net loss of the Company for the financial year ended March 31, 2020 was Rs. 234,456,296 /-
5. **Foreign investments or collaborations, if any**: The Company has not made any foreign investments and neither entered into any foreign collaboration.

**II. INFORMATION ABOUT THE APPOINTEE**

1. **Background details**: Mr. Deepak Lahoti is a Whole time Director and Chief Financial Officer of the Company. He is a commerce graduate, promoter director of the Company and has an experience of more than 10 years in financial management and Capital Markets.
2. **Past remuneration**: The remuneration drawn by him during the financial year ended March 2020 was Rs. 9,00,000/-
3. **Recognition or Rewards** : None
4. **Job profile and his suitability**: As a Whole time Director and Chief Financial Officer, he looks after Finance including financial planning, management of financial risk and financial reporting.
5. **Remuneration proposed**: It is proposed to pay salary ranging between Rs. 50,000 to Rs. 3,00,000/- per month in addition commission upto 5% of net profit and perquisites as specified in the resolution above.
6. **Comparative remuneration profile**: Considering the responsibility shouldered by him for the enhancement of the business of the Company, proposed remuneration is commensurate with industry standards held in similar sized and similarly positioned business.
7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**: Does not have any pecuniary relationship with the Company except remuneration drawn as Whole time Director. He is not related to any other Director or Key Managerial Personnel.

**III. OTHER INFORMATION**

1. **Reasons of loss or inadequate profits:** This is primarily on account of outbreak of COVID 19 during Q4 of FY 2020 which led to a huge crash in the stocks which went on for entirety of March 2020.

Indian economy had already been going through a slowdown phase since FY 2019 due to declining asset qualities of banks and NBFCs, trade disputes and rising unemployment fears, but there was a cautious optimism about FY 2020. The occurrence of COVID-19 pandemic is a black swan event which no one could have anticipated.

2. **Steps taken or proposed to be taken for improvement:** The Company constantly endeavours to enhance the ambit of services provided and increase its market presence.
3. **Expected increase in productivity and profits in measurable terms:** The Company expects to increase its profits in the line with the increase in its activity and market penetration.

**Item No: 5**

The Company for its day to day operations enters into various transactions with related parties as envisaged under Section 2(76) of the Companies Act, 2013.

The transactions carried by the Company are in Ordinary Course of Business and at Arm's length.

However, as per Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 transactions with related party exceeding 10% of the annual turnover of the Company irrespective of being in Ordinary course and at arm's length require approval of members by way of Special Resolution.

The value of proposed aggregate transactions is likely to exceed the said threshold limit.

Accordingly, below mentioned transactions comes within the meaning of material Related Party transaction(s) in terms of provisions of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

Hence, approval of the shareholders is being sought for below listed Related Party Transaction(s) proposed to be entered into by your Company.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions are as follows:

<b>Name of the Party</b>	<b>Aniket Bharadia</b>	<b>Shrivallabh Bharadia</b>	<b>Keshav Bharadia</b>	<b>Megha Bharadia</b>
Nature of Relationship	Relative of Director	Relative of Director	Relative of Director	Promoter's wife
Name of Interested Director or KMP	Ashok Bharadia	Ashok Bharadia	Manoj Bharadia	None
Nature of the Contract/ arrangement	Payment of remuneration as Compliance Officer	Payment of remuneration for acting as VP (Accounts)	Payment of remuneration for assisting in accounts	Payment of rent
Particulars of the Contract/ arrangement	Remuneration	Remuneration	Remuneration	Rent paid for use of premises
Material terms of arrangement including the value, if any	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Payment of Rent not exceeding Rs. 15 Lacs per annum

<b>Name of the Party</b>	<b>Ashok Bharadia</b>	<b>Vandana Bharadia</b>	<b>Neha Bharadia</b>	<b>Deepa Bharadia</b>
Nature of Relationship	Managing Director	Relative of Director	Relative of Director	Promoter
Name of Interested Director or KMP	Ashok Bharadia	Manoj Bharadia	Ashok Bharadia	None
Nature of the Contract/ arrangement	Payment of Rent	Payment of Rent	Payment of remuneration for acting as Head-Accounts & Finance	Payment of rent
Particulars of the Contract/ arrangement	Rent paid for use of premises	Rent paid for use of premises	Remuneration	Rent paid for use of premises
Material terms of arrangement including the value, if any	Payment of Rent not exceeding of Rs. 15 Lacs per annum	Payment of Rent not exceeding of Rs 15 Lacs per annum	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Payment of Rent not exceeding Rs. 17 Lacs per annum

Name of the Party	Aditi Bharadia	Aditya Maheshwari	Sunil Bharadia	Pratik Bharadia
Nature of Relationship	Relative as per Indian Accounting Standards	Relative as per Indian Accounting Standards	Relative of Promoter	Relative as per Indian Accounting Standards
Name of Interested Director or KMP	None	None	None	None
Nature of the Contract/ arrangement	Payment of Remuneration for assisting in Accounts	Payment of Remuneration as Research head	Payment of Remuneration as DP Head	Payment of Remunerartion for Heading back office
Particulars of the Contract/ arrangement	NA	NA	NA	NA
Material terms of arrangement including the value, if any	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Remuneration to be paid upto maximum of Rs 8 Lacs per annum	Remuneration to be paid upto maximum Rs. 8 lacs per annum

Name of the Party	Abhishek Maheshwari	
Nature of Relationship	Relative as per Indian Accounting Standards	Related Parties as mentioned in notes to accounts
Name of Interested Director or KMP	None	
Nature of the Contract/ arrangement	Payment of Remuneration as Research Head	Brokerage Services given to relatives
Particulars of the Contract/ arrangement	NA	NA
Material terms of arrangement including the value, if any	Remuneration to be paid upto maximum of Rs. 8 Lacs per annum	The Company is engaged into broking activities and provides Brokerage services to relatives

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 5 of this Notice as an Special Resolution.

By Order of the Board  
**For Wallfort Financial Services Limited**

**Sd/-**

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: **10<sup>th</sup> August, 2020**  
Place: Mumbai

**BOARD'S REPORT**

Dear Members,

The Board of Directors hereby presents the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2020.

**Summary of operations/results**

The financial results of the Company for the year ended March 31, 2020 as compared to that of previous year are summarized as under:

PARTICULARS	Rs. In Thousands	
	Financial Year 2019-20	Financial Year 2018-19
Revenue from operations	(1,70,963.64)	(2,24,465.61)
Profit/(loss) before tax	(2,83,160.36)	(3,45,268.62)
Profit/(loss) after tax	(2,29,711.26)	(2,68,546.28)

**Company's Affairs & Financial Performance**

Like FY 2019, the Company booked a loss for the FY 2020 too. This is primarily on account of out break of COVID-19 during Q4 of FY 2020 which led to a huge crash in the stocks which went on for entirety of March 2020.

Indian economy had already been going through a slowdown phase since FY 2019 due to declining asset qualities of banks and NBFCs, trade disputes and rising unemployment fears, but there was a cautious optimism about FY 2020. The occurrence of COVID-19 pandemic is a black swan event which no one could have anticipated. We are optimistic that the pandemic will be contained through the combined efforts of all the world economies, but the revival of global economy will take some time. We expect the entirety of FY 2021 will pass through in the after effects of the pandemic.

Despite the challenges, your company believes in keeping a broad view and feels optimistic on the long term sustainability of the economic growth and stock index. In order to mitigate the risk of investment returns, the company continues to find new ways to generate additional income from the low risk, yet highly competitive brokerage business.

During FY 2020, the company booked a net loss of Rs.2297.11 lakhs against the net loss of Rs.2685.46 lakhs during FY 2019.

**Transfer to reserves**

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

**Dividend & Transfers to IEPE**

Your Board does not recommend any dividend for the financial year ended March 31 2020. The Company was not required to transfer the amount of any unclaimed/unpaid dividend to Investor Education Protection Fund.



**Change in the nature of business**

No changes occurred in the nature of business during the financial year ended March 31, 2020 and till the date of issue of this report.

**Deposits**

The Company has not accepted any deposits and, as such, no amount of principal or interest is outstanding as of the Balance Sheet date.

**Internal Financial Control (IFC)**

Your Company's internal control system (including Internal Financial Controls and with reference to Financial statements) ensures efficiency, reliability and completeness of accounting records and timely preparations of reliable financial and management information, compliance with all applicable laws and regulations, optimum utilization and the protection of the Company's assets.

The Company has appointed M/s. H. N. Bafna & Co., Chartered Accountants as the Internal Auditors as mandated under Section 138 of the Companies Act, 2013 for conducting the Internal Audit of the Company.

**Significant and material orders**

There are no significant and material orders passed by the regulators, courts or tribunals impacting the functioning of the Company.

**Subsidiaries, Joint Ventures and Associate Companies**

Your Company does not have any subsidiaries or associate companies; also it has not entered into any joint venture agreements with any other entities.

**Share Capital**

During the F.Y. 2019-2020, there was no change in the Share Capital of the Company.

**Statutory Auditors**

In accordance with the provisions of Section 139 of the Companies Act 2013 M/s. S. Rakhecha & Company, Chartered Accountants (Firm Registration No. 108490W) was appointed as the Statutory Auditors of the Company to hold office for a period of 5 consecutive years from the conclusion of 22<sup>nd</sup> AGM till the conclusion of the 27<sup>th</sup> AGM to be held in the year 2022.

**Auditor's Report**

The statements made by the auditors in their report are self-explanatory and do not require any comments by the Board of Directors.

**Secretarial Auditor**

As required under Section 204 of the Companies Act, 2013 and Rules made thereunder the Board has appointed M/s. Priti J. Sheth & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for the F Y 2019-20.

The Secretarial Audit Report for the financial year 2019-20 forms part of the Annual Report as “Annexure A” to the Board's Report.

**Directors comment on qualification or observation**

No adverse remark or qualification is marked in Secretarial Audit Report.

**Auditor's certificate on corporate governance**

As required under Listing Regulations, the auditors' certificate on corporate governance is enclosed as “Annexure B” to the Board's report.

**Directors and Key Managerial Personnel****Appointments**

At the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019 Mr. Ajay Mantri (DIN: 01600060) and Mr. Krishnagopal Biyani (DIN: 01319264) were appointed as Independent Directors to hold office for second term of five consecutive years i.e. from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.

At the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019 Mr. Ramkishor Ramjivanji Darak (DIN: 00554106) and Mr. Niraj Kumar Totla (DIN: 0355322) were appointed as Independent Directors to hold office for the term of five consecutive years i.e. from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.

In opinion of the Board, the Independent Director possesses integrity, expertise and necessary experience to serve the company.

Further, Board shall comment on the proficiency of Independent Directors ascertained from the online proficiency self assessment test once the same is under taken by the Director(s).

**Proposed Appointment**

Tenure of Mr. Manoj Bharadia (DIN -00035385) as Whole time Director of the Company ends on 31<sup>st</sup> October, 2020. The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 10<sup>th</sup> August, 2020 have approved his re-appointment as Whole time Director for the term of 3 years w.e.f. 1<sup>st</sup> November, 2020 and the same is placed for ratification by members at ensuing Annual General Meeting.

**Retirements/ Resignations**

Tenure of Mr. Pramod Gupte as Non Executive Independent Director ended on 30<sup>th</sup> September, 2019 accordingly he ceased to be the Director of the Company w.e.f 30<sup>th</sup> September, 2019.

Mr. Ritesh Chandalia (DIN: 07331596) resigned from the office of the Non Executive Independent Director w.e.f 22<sup>nd</sup> October, 2019.

The Board of Directors places on record its appreciation for the association and contribution made by them during their tenure.

**Retirement by rotation**

As per provisions of the Companies Act 2013, Mr. Deepak Lahoti (DIN -01765511) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible seeks re-appointment. The Board of Directors recommend his reappointment at the ensuing Annual General Meeting.

**Certificate from Company Secretary in practice**

Priti J Sheth of M/s Priti J Sheth & Associates practicing Company Secretaries has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as Annexure "C"

**Declaration by independent Directors**

The Company has received necessary declarations from the independent directors under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

**Familiarization programme for independent directors**

All new independent directors appointed on the Board attend a familiarization programme.

After appointment a formal letter is issued to the independent directors outlining his/her roles, functions, duties and responsibilities.

**Board evaluation**

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors, and performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**Extract of Annual Return**

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in Form MGT-9 is appended as "**Annexure D**" to the Board's Report.

Pursuant to section 134 (3) (a) of the Companies Act 2013, the company shall place the Annual Return for FY 2019 - 2020 on its website [www.wallfort.com](http://www.wallfort.com) once the same is submitted to ROC.

**Corporate Social Responsibility (CSR)**

The Board has approved the CSR budget of Rs. 3,97,000/-for Financial Year 2019-20.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities in accordance with the provisions of Section 135 of the

Companies Act, 2013, during the year are set out in “**Annexure E**” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the corporate governance report, which forms part of this report. The policy is available on the website of the Company at [www.wallfort.com](http://www.wallfort.com)

### **Number of meetings of the Board**

The Board duly met six times during the financial year. Details of the meetings of the board, are given in corporate governance report, which forms part of this report

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **Committees of the Board**

Currently, the Board has four committees: the Audit Committee, the Nomination and Remuneration Committee, the Corporate Social Responsibility Committee, and the Stakeholders' Relationship Committee.

The details of the committees of Board are detailed in the Corporate governance report which forms a part of the Annual Report.

### **Details of transactions entered by the Company with non-executive directors**

Following transactions were entered into by the Company with non-executive directors during the year under review.

1. Sitting fees paid to all the Directors for attending Board meetings.
2. Brokerage services rendered to Mrs. Sangeeta Bharadia.

### **Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013**

The Company has not given any loan, guarantee or provided any security in connection with a loan to any other body corporate or person exceeding the specified limits mentioned under section 186(2) of the Companies Act, 2013.

Further, details of investments made by the Company during the year under review form a part of the financial statements.

### **Related Party Transactions**

The details of Related Party Transactions entered into by the Company are annexed hereto in form AOC-2.

Further, the disclosure of Related Party Transactions in compliance with Accounting Standards form a part of notes to accounts.

The Company does not have any holding and subsidiary Company and therefore the related party disclosures as required to be given under Part A of Schedule V of Listing Regulations are not applicable.

Transactions of listed entity with person/entity belonging to the promoter /promoter group which holds 10% or more shareholding in the listed entity.

Particulars	Mr. Manoj Bharadia (Wholetime Director)		Mr. Ashok Bharadia (Managing Director)	
	2020	2019	2020	2019
<b>Salary Paid</b>	6,00,000	6,50,000	6,00,000	6,50,000
<b>Brokerage Received</b>	5,016	16,183	144	12,594
<b>Rent Paid</b>	-	-	12,69,900	11,42,910

**Particulars of remuneration to Directors, Key Managerial Persons and employees**

The ratio of the remuneration of each director to the median employee's remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report as "Annexure F".

The Company wishes to place on record its appreciation to the contribution made by the employees to the operation of the Company during the period.

During the year review there were no employees who were in receipt of the remuneration beyond the limits Prescribed under 5(2) of the Companies (Appointment & Remuneration) Rules 2014 and hence no disclosures are made.

Disclosure as per rule 5(2) of the companies (Appointment & Remuneration) Rules 2014 (as amended) with respect to particulars of top ten employees in terms of remuneration drawn will be available at the Registered office of the Company for inspection.

**Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo.**

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as "Annexure G" to the Board's report.

**Material changes and commitments**

No material changes/ commitments occurred between the end of the financial year to which financial statements relate and the date of this report.

**Policy on director's appointment and remuneration**

The current policy of the Company is to have an optimum combination of both executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management.

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, independence of director and other matters, as required under Section 178(3) of the Companies Act, 2013 is available on our website ([www.wallfort.com](http://www.wallfort.com)). There has been no change in the policy since the last financial year. We avow that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

**Policies**

All our policies are available on our website ([www.wallfort.com](http://www.wallfort.com)). The policies are reviewed periodically by the Board and updated based on need.

**Corporate Governance**

Our Corporate governance philosophy: Your Company's philosophy on Corporate Governance has been to ensure fairness to the shareholders with full transparency and to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity.

Our Corporate governance report for the financial year ended on March 31, 2020 forms a part of this Annual Report.

**Management discussion and analysis**

The report on management discussion and analysis as per the Listing Regulations forms integral part of this Annual Report.

**Director's responsibility statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, the directors of the Company confirm that:

- a) In the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March 2020, the applicable Accounting Standards have been followed and there are no material departures;
- b) The directors 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 as at 31<sup>st</sup> March, 2020 and of the profit and loss of the Company for the year ended as on that date;
- c) The Directors 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.
- d) The directors have prepared the annual accounts on a 'going concern' basis.
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Reporting of Frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

**Maintenance of Cost Records**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the rules made there under the Company is not required to maintain cost records.

**Internal Complaints Committee**

The Company is in process of constitution of Internal Complaints Committee.

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The policy on Prevention of Sexual Harassment at Workplace aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the year ended 31<sup>st</sup> March 2020, no complaints recorded pertaining to sexual harassment.

**Acknowledgements**

The Board of Directors acknowledge the continued support and co-operation extended by the statutory authorities, Government authorities, bankers, stock exchange, stakeholders and employees of the Company.

By Order of the Board  
**For Wallfort Financial Services Limited**

**Sd/-**

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August 2020  
Place: Mumbai

**FORM NO. AOC -2**

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis: NIL

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

	<b>Particular</b>	<b>Details</b>		
1	<b>Name (s) of the related party &amp; nature of relationship</b>	<b>Aniket Bharadia Relative of Director</b>	<b>Mr. Shrivallabh Bharadia - Relative of Director</b>	<b>Mr. Keshav Bharadia - Relative of Director</b>
2	Nature of contracts /arrangements / transaction	Payment of Remuneration as Compliance Officer	Payment of remuneration for acting as VP (Accounts)	Payment of remuneration for assisting Accounts team
3	Duration of the contracts / arrangements / transaction	For financial year 2019-20	For financial year 2019-20	For financial year 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any.	Remuneration – INR 4,89,000/- p.a.	Remuneration – INR 7,00,000/- p.a.	Remuneration – INR 4,50,000/- p.a.
5	Justification for entering into such contracts or arrangements or transactions'	Remuneration paid for services rendered to the Company	Remuneration paid for services rendered to the Company	Remuneration paid for services rendered to the Company
6	Date of approval by the Board	13 <sup>th</sup> February, 2019	13 <sup>th</sup> February, 2019	27 <sup>th</sup> May, 2019
7	Amount Paid as Advance	NIL	NIL	NIL



	Particular	Details		
1	Name (s) of the related party & nature of relationship	<b>Mrs. Neha Bharadia Relative of Director</b>	<b>Mr. Vandana Bharadia - Relative of Director</b>	<b>Mr. Ashok Bharadia - Managing Director</b>
2	Nature of contracts /arrangements / transaction	Payment of Remuneration Head – Accounts & Finance	Payment of Rent	Payment of Rent
3	Duration of the contracts / arrangements / transaction	For financial year 2019-20	For financial year 2019-20	For financial year 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any.	Remuneration – INR 6,00,000/- p.a.	Payment of Rent- INR. 12,69,900/-	Payment of Rent- INR. 12,69,900/-
5	Justification for entering into such contracts or arrangements or transactions'	Remuneration paid for services rendered to the Company	Rent paid for use of premises	Rent paid for use of premises
6	Date of approval by the Board	13 <sup>th</sup> February, 2019	13 <sup>th</sup> February, 2019	13 <sup>th</sup> February, 2019
7	Amount Paid as Advance	NIL	NIL	NIL

	Particular	Details	
1	Name (s) of the related party & nature of relationship	Chattisgarh Projects Private Limited Company in which relative of Director is Director	As provided in Notes to accounts
2	Nature of contracts /arrangements / transaction	Purchase of Shares	As provided in Notes to accounts
3	Duration of the contracts / arrangements / transaction	NA	For financial year 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	Brokerage received – As per notes to accounts
5	Justification for entering into such contracts or arrangements or transactions'	For Investment Purpose.	The Company is engaged in broking services which are provided to various clients as well as its related parties.
6	Date of approval by the Board	13 <sup>th</sup> February, 2020	13 <sup>th</sup> February, 2019
7	Amount paid as advances, if any	NIL	NIL

By Order of the Board  
For Wallfort Financial Services Limited

Sd/-

**Ashok Bharadia**  
Chairman & Managing Director  
(DIN – 00407830)

Date: 10<sup>th</sup> August 2020  
Place: Mumbai

**“Annexure A”  
Form MR-3**

Secretarial Audit Report

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

To,  
The Members,  
**Wallfort Financial Services Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Wallfort Financial Services Limited (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Wallfort Financial Services Limited ("The Company") for the period ended on 31<sup>st</sup> March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 / 2018 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during Audit period)

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during Audit period).
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during Audit period).
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during Audit period).
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during Audit period).
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during Audit period).

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

We further report that, based on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the following laws, regulations, directions, orders are applicable specifically to the Company:

- a) SEBI (Stock-Brokers and Sub-Brokers) Regulations, 1992, as amended.
- b) SEBI (Intermediaries) Regulations, 2008, as amended.
- c) SEBI (Depositories and Participants) Regulations, 1996/2018, as amended.

During the period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Acts, rules, regulations, guidelines standards etc. mentioned above.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**I further report that:**

- The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Non-Executive Independent Directors.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at Board & Committee Meetings were carried out unanimously.

**I further report that:**

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

**I further report that during the audit period:**

There were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Priti J. Sheth & Associates  
Company Secretary**

**Sd/-**

**Priti Sheth  
CP No.: 5518  
FCS. : 6833  
UDIN : F006833B000566581**

Date: 10<sup>th</sup> August, 2020.  
Place: Mumbai

**Annexure to the Secretarial Audit Report**

To,  
The Members,  
**Wallfort Financial Services Limited**  
CIN:L65920MH1994PLC082992

Our Secretarial Audit Report dated 10<sup>th</sup> August, 2020 is to be read along with this letter.

Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

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

**For Priti J. Sheth & Associates  
Company Secretary**

**Sd/-**

**Priti Sheth  
CP No.: 5518  
FCS. : 6833**

Date: 10<sup>th</sup> August, 2020.  
Place: Mumbai

“Annexure B”

**Auditors Certificate on Compliance with the Conditions of Corporate Governance**

To the Members of  
**Wallfort Financial Services Limited**

We have examined the compliance of conditions of Corporate Governance by Wallfort Financial Services Limited, for the year ended 31<sup>st</sup> March, 2020, as stipulated in Listing Regulations of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. Rakhecha & Company  
Chartered Accountants**

Sd/-

**Suresh B. Rakhecha  
Proprietor  
M. No. 038560  
UDIN: 20038560AAAACY8343**

Date: 10<sup>th</sup> August, 2020.  
Place: Mumbai

**“ANNEXURE C”  
CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

**CERTIFICATE**  
(Pursuant to Clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause 10 of Part C of Schedule V of the Security Exchange Board of India (SEBI)(Listing Obligation and Disclosure Requirements) Regulations, 2015 (LODR) in respect of Wallfort Financial Services Limited (CIN: L65920MH1994PLC082992) I hereby certify that:

On the basis of the written representations / declarations received from the directors and taken on records by the Board of Directors, as on March, 31, 2020 none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

**For Priti J. Sheth & Associates  
Company Secretaries**

**Sd/-**

**Priti Sheth  
CP No.: 5518  
FCS. : 6833  
UDIN: F006833B000566579**

Date: 10<sup>th</sup> August, 2020.  
Place: Mumbai



**ANNEXURE D  
FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.20**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS**

1	CIN	<b>L65920MH1994PLC082992</b>
2	Registration Date	16/11/94
3	Name of the Company	Wallfort Financial Services Limited
4	Category/Sub-category of the Company	Company Limited By Shares Indian Non Government Company
5	Address of the Registered office & contact details	205 A Hari Chambers, S. B. Marg, Fort, Mumbai Maharashtra-400001. Email: cosec@wallfort.com
6	Whether listed company	Yes
7	Details of the Stock Exchanges where shares are listed	Bombay Stock Exchange Limited
8	Name, Address & contact details of the Registrar & Transfer Agent, if any	<b>Satellite Corporate Services Pvt. Ltd.,</b> Office no. 106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Sakinaka, Mumbai - 400 072. Phone: 022-28520461/28520462 E mail : scs_pl@yahoo.co.in

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10% or more of the total turnover of the company shall be stated.)

Sr. No.	Name & Description of main product/services	NIC Code of the Product / Service	% to total turnover of the company
1	Share and Stock Brokers, Finance Brokers, Underwriters & Sub - Underwriters and act as Depository Participant of NSDL & CDSL	<b>64990</b>	<b>100.00%</b>

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
The Company has no Holding, Subsidiary or Associate Companies					

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

**(i) Category-wise share holding.**

Category of Shareholders	No of Shares held at the beginning of the year (As on 31.03.2019)				No of Shares held at the end of the year (As on 31.03.2020)				% Change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individuals / HUF	7262600	0	7262600	74.97	7262600	0	7262600	74.97	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Governments (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (1)</b>	<b>7262600</b>	<b>0</b>	<b>7262600</b>	<b>74.97</b>	<b>7262600</b>	<b>0</b>	<b>7262600</b>	<b>74.97</b>	<b>0.00</b>
<b>2. Foreign</b>									
a) NRI Individuals	0	0	0	0	0	0	0	0.00	0
b) Other Individuals	0	0	0	0	0	0	0	0.00	0
c) Bodies Corporate	0	0	0	0	0	0	0	0.00	0
d) Any Other	0	0	0	0	0	0	0	0.00	0
<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>TOTAL (A)=(A)(1)+(A)(2)</b>	<b>7262600</b>	<b>0</b>	<b>7262600</b>	<b>74.97</b>	<b>7262600</b>	<b>0</b>	<b>7262600</b>	<b>74.97</b>	<b>0</b>
<b>B Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	2	0	2	0	0
c) Central Government	0	0	0	0	0	0	0	0	0
d) State Government(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	348208	0	348208	3.59	382027	0	382027	3.94	0.35
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
Individuals Shareholders holding nominal Share Capital upto Rs. 2 Lakh	1049449	622406	1671855	17.26	662100	478606	1140706	11.78	-5.48
Individuals Shareholders holding nominal Share Capital in excess of Rs. 2 Lakh	247944	24000	271944	2.81	569307	116000	685307	7.07	4.27
c) <b>Other (Specify)</b>									
HUF	108403	0	108403	1.12	197058	0	197058	2.03	0.92
Non Resident Indians	23358	0	23358	0.24	18999	0	18999	0.20	-0.04
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	832	0	832	0.01	501	0	501	0.01	0.00
Directors & Relatives	0	0	0	0.00	0	0	0	0.00	0
<b>Sub-Total (B)(2)-</b>	<b>1778194</b>	<b>646406</b>	<b>2424600</b>	<b>25.03</b>	<b>1829992</b>	<b>594606</b>	<b>2424598</b>	<b>25.03</b>	<b>0.00</b>
Total Public Shareholding (B)	1778194	646406	2424600	25.03	1829992	594606	2424600	25.03	0.00
TOTAL (A)+(B)	9040794	646406	9687200	100.00	9092594	594606	9687200	100.00	0.00
<b>C Shares Held By Custodian GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0	0.00
<b>GRAND TOTAL(A+B+C)</b>	<b>9040794</b>	<b>646406</b>	<b>9687200</b>	<b>100.00</b>	<b>9092594</b>	<b>594606</b>	<b>9687200</b>	<b>100.00</b>	<b>0.00</b>

(ii) SHARE HOLDING OF PROMOTER

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Manoj Bharadia	1960360	20.24	0.00	1960360	20.24	0.00	0.00
2	Ashok Bharadia	1200010	12.39	0.00	1200010	12.39	0.00	0.00
3	Anil Jain	1000000	10.32	0.00	1000000	10.32	0.00	0.00
4	Sangeeta Bharadia	841910	8.69	0.00	841910	8.69	0.00	0.00
5	Vandana Manoj Bharadia	444500	4.59	0.00	444500	4.59	0.00	0.00
6	Deepa Sunil Bharadia	368910	3.81	0.00	368910	3.81	0.00	0.00
7	Ramkumar Bharadia	336100	3.47	0.00	336100	3.47	0.00	0.00
8	Deepak Lahoti	318010	3.28	0.00	318010	3.28	0.00	0.00
9	Shyamsundar Bharadia	299970	3.10	0.00	299970	3.10	0.00	0.00
10	Annapurna Bharadia	147830	1.53	0.00	147830	1.53	0.00	0.00
11	Radhakishan Bharadia	100000	1.03	0.00	100000	1.03	0.00	0.00
12	Shyamsundar Bharadia (HUF)	100000	1.03	0.00	100000	1.03	0.00	0.00
13	Radha Kishan Bharadia (HUF)	95000	0.98	0.00	95000	0.98	0.00	0.00
14	Vijay Shyamsunder Bharadia	50000	0.52	0.00	50000	0.52	0.00	0.00

(iii) Change In Promoters Shareholding : No Changes occurred during the year.

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

Sr. No.	For each of the Top 10 Shareholders	Date	Reason	Shareholding holding at the beginning of the year		Cumulative Share holding during the year	
				No. of Shares	% of total shares	No. of Shares	% of total shares
1	<b>Bang Securities Private Limited</b>						
	At the beginning of the year	01-Apr-19		127000	1.31	127000	1.31
	Changes during the year			No Changes during the Financial year 2019-20			
	At the end of the year	31-Mar-20		0	0	127,000	1.31
2	<b>Progressive Share Broking Private Limited</b>						
	At the beginning of the year	01-Apr-19		90,000	0.93	90,000	0.93
	Changes during the year	12-Apr-19	Sale	-90,000	-0.93	0	0
		27-Mar-20	Purchase	103000	1.06	10,3000	1.06
	At the end of the year	31-Mar-20		0	0	10,3000	1.06
3	<b>Mindset Securities Private Limited</b>						
	At the beginning of the year	01-Apr-19		48,000	0.50	48,000	0.50
	Changes during the year			No Changes during the Finanacial Year 2019 - 20			
	At the end of the year	31-Mar-20		0	0	48,000	0.50
4	<b>Bhuneshwar Prasad</b>						
	At the beginning of the year	01-Apr-19		20,000	0.21	20,000	0.21
	Changes during the year	12 -Apr-19	Purchase	25,000	0.13	45,000	0.23
	At the end of the year	31-Mar-20		0	0	45,000	0.23

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Sr. No.	For each of the Top 10 Sahreholders	Date	Reason	Shareholding holding at the beginning of the year		Cumulative Share holding during the year	
				No. of Shares	% of total shares	No. of Shares	% of total shares
5	<b>Nirmal Bang Financial Services Private Limited</b>						
	At the beginning of the year	01-Apr-19		40,000	0.41	40,000	0.41
	Changes during the year			No Changes during the Finanacial Year 2019 - 20			
	At the end of the year	31-Mar-20				40,000	0.41
6	<b>Dilip Bang</b>						
	At the beginning of the year	01-Apr-19		40,000	0.41	40,000	0.41
	Changes during the year			No Changes during the Finanacial Year 2019 - 20			
	At the end of the year	31-Mar-20				40,000	0.41
7	<b>Shashikant Ghevarchand Surana</b>						
	At the beginning of the year	01-Apr-19		40,000	0.41	40,000	0.41
	Changes during the year			No Changes during the Finanacial Year 2019 - 20			
	At the end of the year	31-Mar-20				40,000	0.41
8	<b>Moti Chand Jain (HUF)</b>						
	At the beginning of the year	01-Apr-19		30,300	0.31	30300	0.31
	Changes during the year	27-Dec-19	Purchase	574	0.00	30874	0.16
		31-Dec-19	Purchase	50	0.00	30924	0.32
		10-Jan-20	Purchase	5	0.00	34929	0.32
		31-Jan-20	Purchase	4046	0.04	34975	0.36
		07-Feb-20	Purchase	2001	0.02	34976	0.38
		06-Mar-20	Purchase	500	0.01	37476	0.39
		20-Mar-20	Purchase	1500	0.02	38976	0.40
		27-Mar-20	Purchase	150	0.00	39126	0.40
	At the end of the year	31-Mar-20	Purchase	545	0.01	39671	0.42
9	<b>Nirmal Bang Securities Private Limited</b>						
	At the beginning of the year	01-Apr-19	Purchase	1109	0.01	1109	0.01
	Changes during the year	12-Apr-19	Sale	-600	0.00	509	0.00
		19-Apr-19	Sale	-213	0.00	296	0.00
		15-Nov-19	Purchase	18256	0.09	18552	0.09
		22-Nov-19	Sale	-17150	0.09	1402	0.01
		06-Dec-19	Sale	-1402	0.01	0	0.00
		13-Dec-19	Purchase	1000	0.01	1000	0.01
		20-Dec-19	Sale	-1000	0.01	0	0.00
		10-Jan-20	Purchase	16900	0.17	16900	0.17
		17-Jan-20	Purchase	10957	0.11	27857	0.29
		31-Jan-20	Sale	-10957	0.11	27857	0.29
		07-Feb-20	Purchase	21698	0.22	38598	0.40

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		14-Feb-20	Sale	-19800	0.20	18798	0.19
		21-Feb-20	Purchase	19800	0.20	38598	0.40
		06-Mar-20	Sale	-23048	0.24	15550	0.16
		27-Mar-20	Purchase	16900	0.17	32450	0.33
	At the end of the year	31-Mar-20	Purchase	4250	0.04	36700	0.38
10	<b>Ateev Chadda</b>						
	At the beginning of the year	01-Apr-19		29000	0.30	29000	0.30
	Changes during the year	12-Apr-19	Purchase	7500	0.04	36500	0.19
		19-Apr-19	Purchase	100	0.00	36600	0.19
		26-Apr-19	Purchase	400	0.00	37000	0.19
		15-Nov-19	Sale	-37000	0.19	0	0.00
	At the end of the year	31-Mar-20		0	0.00	0	0.00

(v) Shareholding of Directors & Key Management Personal:

Sr. No.	Shareholding of Directors/ Key Managerial Personnel	Date	Reason	Shareholding holding at the beginning of the year		Cumulative Share holding during the year	
				No. of Shares	% of total shares	No. of Shares	% of total shares
1	<b>Ashok Bharadia</b>						
	At the beginning of the year	01-Apr-19		1200010	12.39	1200010	12.39
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>1200010</b>	<b>12.39</b>
2	<b>Deepak Lahoti</b>						
	At the beginning of the year	01-Apr-19		318010	3.28	318010	3.28
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>318010</b>	<b>3.28</b>
3	<b>Manoj Bharadia</b>						
	At the beginning of the year	01-Apr-19		196030	20.24	196030	20.24
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>1960360</b>	<b>20.24</b>
4	<b>Sangeeta Bharadia</b>						
	At the beginning of the year	01-Apr-19		841910	8.69	841910	8.69
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>841910</b>	<b>8.69</b>
5	<b>Ajay Mantri</b>						
	At the beginning of the year	01-Apr-19		0	0.00	0	0.00
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>0</b>	<b>0.00</b>

6	<b>Krishnagopal Biyani</b>						
	At the beginning of the year	01-Apr-19		0	0.00	0	0.00
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>0</b>	<b>0.00</b>
7	<b>Ramkishor Darak</b>						
	At the beginning of the year	01-Apr-19		0	0.00	0	0.00
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>0</b>	<b>0.00</b>
8	<b>Niraj Kumar Totla</b>						
	At the beginning of the year	01-Apr-19		0	0.00	0	0.00
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>0</b>	<b>0.00</b>
9	<b>Nehal Savla</b>						
	At the beginning of the year	01-Apr-19		0	0.00	0	0.00
	Changes during the year			No changes during the financial year 2019-20			
	At the end of the year	31-Mar-20				<b>0</b>	<b>0.00</b>

**(v) INDEBTEDNESS**

Indebtedness of the Company Including Interest outstanding/accrued but not due for payment

(Amount in INR)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
I) Principal Amount	50000000	0	0	50000000
ii) Interest Due but not paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
<b>TOTAL (i+ii+iii)</b>	<b>50000000</b>	<b>0</b>	<b>0</b>	<b>50000000</b>
<b>Change in Indebtedness during the financial year</b>				
*Addition	20000000	0	0	20000000
*Reduction	70000000	0	0	70000000
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness the end of the financial year</b>				
I) Principal Amount	0	0	0	0
ii) Interest Due but not paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
<b>TOTAL (i+ii+iii)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL:**

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

Sr. No.	Particulars Of Remuneration	Name of the MD/WTD/Manager			Total Amount (INR)
		Ashok Bharadia	Manoj Bharadia	Deepak Lahoti	
	Name	Chairman & Manging Director	Whole-Time Director	Whole-Time Director & CFO	
<b>1</b>	<b>GROSS SALARY</b>				
	a) Salary as per provisions contained in section 17 (1) of Income tax, Act, 1961.	600000	600000	900000	2100000
	b) Value of Prerequisites u/s 17(2) of the Income Tax Act 1961	0	0	0	0
	c) Profits in lieu of salary u/s 17(3) of the income tax act, 1961	0	0	0	0
<b>2</b>	Stock Option	0	0	0	0
<b>3</b>	Sweat Equity	0	0	0	0
<b>4</b>	Commission -as % of Profit -Others specify	0	0	0	0
<b>5</b>	<b>Others</b>	0	0	0	0
	Others (Fees for attending board meeting)	30,000	30,000	30,000	90,000
	<b>TOTAL (A)</b>	630000	630000	930000	2190000
	<b>CEILING AS PER THE ACT</b>	<b>As approved by Members</b>			

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of the Directors							Total Amount (INR)
		Sangeeta Bharadia	Ajay Mantri	Ramkishor Darak	Krishnagopal Biyani	Niraj Kumar Totla	Pramod Gupte	Ritesh Chandalia (till 10-10-19)	
<b>1.</b>	<b>Independent Directors</b>								
	Fee for attending Board meetings	-	30000	15000	20000	5000	5000	5000	80000
	Commission	-	-	-	-	-	-	-	-
	Others)	-	-	-	-	-	-	-	-
<b>2.</b>	<b>Other Non Excutive Directors</b>								
	Fee for attending Board meetings	25000							25000
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	<b>Total (2)</b>								
	<b>Total (B)=(1+2)</b>								
	<b>Total Managerial Remuneration</b>								
	<b>Over all Ceiling as per the act</b>	<b>100000 Per Meeting</b>							

## C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amt. (INR)
	<b>Name</b>	<b>Nehal Savala</b>	
	<b>Designation</b>	<b>Company Secretary</b>	
<b>1</b>	<b>GROSS SALARY</b>		
	a) Salary as per provisions contained in section 17 (1) of income tax, 1961	630500	630500
	b) Value of Prerequisites u/s 17(2) of the Income Tax act 1961	0	0
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0	0
<b>2</b>	Stock Option	0	0
<b>3</b>	Sweat Equity	0	0
<b>4</b>	Commission	0	0
	-as % of Profit	0	0
	-Others, specify	0	0
<b>5</b>	Others, please specify	0	0
	<b>TOTAL</b>	630500	630500

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

By Order of the Board  
For Wallfort Financial Services Limited

Sd/-

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai



**“Annexure E”  
CORPORATE SOCIAL RESPONSIBILITY STATEMENT**

**1. A brief outline of the Company's CSR Policy**

**Policy Statement:**

The management of the Company acknowledges the responsibilities to the communities in which the Company operates are essential to the long-term success of business and are desirable to all its stakeholders. The Company aims to be recognized as an industry leader in Corporate Responsibility and to this end has embarked on a journey of continuous improvement.

The Company recognizes the commitment for CSR beyond statutory requirement.

**2. COMPOSITION OF CSR COMMITTEE**

Sr. No.	Name Of The Member	Category
1.	Mr. Ajay Mantri (Chairman)	Non Executive Independent Director
2.	Mr. Deepak Lahoti	Executive Director & Promoter
3.	Mr. Ashok Bharadia	Managing Director & Promoter

**3. Average net profit of the company for last three financial years: Rs.19,833,355/-**

**4. Prescribed CSR Expenditure (2% of the amount as in item no. 3 above): Rs. 3,97,000/-**

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

(a) Total amount to be spent for the financial year: Rs. 3,97,000/-

(b) Total amount spent during this financial year: Rs. 41,60,458/-

(c) Manner in which the amount was spent during the financial year 2019-20:

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Sr No.	CSR Project / Activity identified	Sector in which the project is covered	Project Programs : 1. Local Area or 2. Specify the State and district where projects or programs was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the project or programs  Sub head : 1. Direct Expenditure on project and programme 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Support for people affected by Maharashtra Draught -2019	Draught Relief	Maharashtra	11000	11000	11000	Maheshwari Pragati Mandal
2.	Preventive Healthcare	Preventive Healthcare	Mumbai, Maharashtra	22000	22000	22000	Chikitsa Sahayta Kosh
3.	Support for Education to under privileged children	Promoting Education	Madhya Pradesh West Bengal	200000	200000	200000	Mastek Foundation
4.	Animal Welfare	Animal Welfare	Rajkot	11000	11000	11000	Shri Krishna Gau Seva Samity
5.	Sponsoring School Fees for 1 Child	Promoting Education	Rajasthan	15400	15400	15400	RMM High School
6.	Dental Camp Organised	Preventive Healthcare	Mumbai Maharashtra	122500	122500	122500	Dr. Sandhya Biyani
7.	Books donation to students affected by Maharashtra Floods	Promoting Education	Kolhapur, Maharashtra	32558	32558	32558	Navjeevan Highschool & Junior College
8.	Support for Medical assistance to tribal masses	Preventive Healthcare	Nashik, Maharashtra	2500000	2500000	2500000	SMBT Seva Bhavi Trsut

9.	Mid One Village Project/Support for Tribal Education	Promoting Education	Mumbai, Maharashtra	11000	11000	11000	Friends of Tribal Society
10.	Sponsor a Child Program	Poverty & Malnutrition	New Delhi	24000	24000	24000	Plan International
11.	Education Support	Promoting Education	Madhya Pradesh West Bengal	100000	100000	100000	Parivaar Education Society
12.	Support for CRT-D treatment	Preventive Health Care	Mumbai, Maharashtra	11,000	11,000	11,000	Holy Family Hospital
13.	Support for building School	Promoting Education	Malegaon, Maharashtra	1100000	1100000	1100000	Rajasthan Shikshan Prasarak Mandal
<b>Total</b>				<b>4160458</b>			

**6. Responsibility Statement**

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors implementation of CSR projects and activities in compliance with CSR objectives of the Company.

By Order of the Board  
**For Wallfort Financial Services Limited**

**Sd/-**

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

**Sd/-**

**Ajay Mantri**  
**Chairman of CSR Committee**  
(DIN – 01600060)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai

## “Annexure F”

**PARTICULARS OF EMPLOYEES**

Ratio of remuneration of each director to the median remuneration of employees of the company for the financial year 2019-20, percentage increase of remuneration of each director and percentage increase in remuneration paid to whole-time directors:

Name of the Director /KMP	Designation	Total Remuneration paid in F.Y. 2019-2020	Ratio of remuneration of director to the median remuneration	% increase in remuneration
Ashok Bharadia	Managing Director	6,00,000	2.5	0
Deepak Lahoti	Whole-time Director and CFO	9,00,000	3.75	0
Manoj Bharadia	Whole-time Director	6,00,000	2.5	0
Sangeeta Bharadia	Director-Non Executive	NIL	NIL	NIL
Krishnagopal Biyani	Independent Director	NIL	NIL	NIL
Ramkishor Darak	Independent Director	NIL	NIL	NIL
Niraj Totla	Independent Director	NIL	NIL	NIL
Ajay Mantri	Independent Director	NIL	NIL	NIL
Nehal Savala	Company Secretary	6,30,500	2.63	10%

- Percentage of increase in the median remuneration of the employees for the financial year-11%
- No. of permanent employees on the role of the Company: 52
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average percentile increase – -0.05%tile
- The Board of Directors hereby affirm that the remuneration is as per the remuneration policy of the Company.
- Statement of top 10 Employees as required under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014 as amended till date will be available for inspection at the registered office of the Company.

By Order of the Board  
For Wallfort Financial Services Limited

Sd/-

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai

**“Annexure G”**

**Particulars in regards to Conservation of energy, Technology Absorption, and Foreign Exchange Earnings and Outgo pursuant to the Companies(Account) Rules, 2014.**

**A. Conservation of energy**

- i. The steps taken or impact on conservation of energy: As the Company is not engaged in any manufacturing activity the consumption of energy is relatively low and Company constantly endeavors to save energy at office place.
- ii. The steps taken by the company for utilizing alternates source of energy: NIL
- iii. The Capital Investment on energy conservation equipments: NIL

**B. Technology absorption**

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. In case of imported technology (imported during last three years reckoned from beginning of financial year): NA

**C) Foreign exchange earnings and outgo**

Details of Foreign Exchange earnings and outgo during the period under review are as under:

Particulars	As on 31st March, 2020	As on 31st March, 2019
Foreign Exchange earnings	Nil	Nil
Foreign Exchange outgo	Nil	Nil

By Order of the Board  
**For Wallfort Financial Services Limited**

**Sd/-**

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK**

The Nifty50 & SENSEX ended this financial year on a negative note owing to a huge crash in the months of Q4 FY 2020 after the Coronavirus (COVID-19) outbreak was declared a pandemic. The BSE SENSEX fell by 24.2 per cent in FY20 while the broader Nifty50 index of the National Stock Exchange (NSE) fell 26.3 percent.

While the performance in mid cap and small cap stocks remained bleak for the entire year due to the creeping slowdown in the economy, the performance in large cap stocks remained strong for the large part of the year due to their larger global reach. Everything changed after the COVID-19 virus was declared a global pandemic in February 2020 and the each affected countries started to impose their own version of lockdowns to contain the virus. This led to a huge fall in global trade and has taken the global economy to a point of recession. Almost all of fall in both SENSEX and Nifty50 indexes can be attributed to COVID-19.

Going forward, much will depend on how the world economy will react to the after effects of the pandemic. Supply chains will shift, business models will change, and consumer behaviour will alter. It is still unclear as to how things will turn out. But we remain cautiously optimistic.

The growth in brokerage commissions depend on the average daily volumes in the markets. And these volumes are dependent on the market sentiment driven by the country's economic growth and corporate earnings growth. With the hopeful and sustainable renewal in country's economy in future, the industry experts expect more money to flow into the Indian Capital Markets and the average daily volumes to increase, thereby improving the outlook for financial brokerage industry. Due to the size of Indian population and favourable demographics, there is a good deal of interest from foreign investors. Despite the pandemic, the FII investments in Indian markets are expected to see a good growth in years to come. Over the last 5 to 7 years, the DII inflows have also increased significantly as more and more people are investing in stocks. This will improve the liquidity in Indian markets.

**OPPORTUNITIES**

We believe financial services Industry in India is expected to enjoy generally strong growth during coming years, driven by rising personal incomes, corporate restructuring, financial sector liberalization and the growth of a more consumer-oriented, credit-oriented culture. This is expected to lead to increasing demand for financial products, including consumer loans (especially for cars and homes), as well as for insurance and pension products. Since the stock market and the Indian economy are booming, more and more people are willing to invest and multiply their wealth. Due to this there is a demand of financial service provider to people to fulfil their advisory needs so that they can have money to support them at the time of crisis.

We are very pleased to inform you that your company is now servicing 124 Institutional Clients and look forward to become one of the premier destination for Institutions/ Corporates /Banks and FIIs in years to come. With the increase in FII flows and positive outlook on DII and Mutual Funds Flows we look forward to generating more business and servicing even more institutional clients.

We are enhancing our service capabilities, providing good quality research and efficient market information to our clients. Strong Brand name 'Wallfort' is a well-established brand among institutional investors in India and Broking Community. Wallfort believes that its brand is associated with high quality research and advice as well as corporate values like integrity and excellence. The company needs to leverage its brand to grow its businesses, build relationships and attract and retain talented individuals.

**THREATS**

- Credit risk, interest rate risk, liquidity risk and operational risks are the major risks the company faces. The company tries to manage these risks professionally. Heavy competition in brokerage and low volumes are deterrent to progress of the Stock Broking Business.
- High employee turnover and attraction of fresh talent continues to be a challenge.
- Regulatory changes
- Competition among broker-dealers is intense. The large ongoing fees charged to customers has driven a number of competitors into this market. Additionally, prime brokerages now have to compete with their discount brokerage counterparts. This trend is expected to stay in perpetuity. It should be noted that many banks now offer their own in house broking services.

**RISKS AND CONCERNS**

The Company is exposed to specific risks that are inherent to its business model and the environment within which it operates. The Company manages these risks by maintaining a conservative yet aggressive profile and by following prudent business and risk practices. The company's business could potentially be affected by the following factors:-

- Impact of markets on our revenues and investments, sustainability of the business across cycles, sharp movements in prevailing interest rates in the market.
- Risk that a client will fail to deliver as per the terms of a contract with us or another party at the time of settlement.
- Risk due to uncertainty of a counterparty's ability to meet its financial obligations to us.
- Inability to conduct business and service clients in the event of a contingency such as natural calamity, breakdown of infrastructure, etc.

**SEGMENT WISE / PRODUCT WISE PERFORMANCE**

As the Company is only in one line of business i.e. stock broking segment, thus, segment wise disclosure of performance is not required to be made.

**OUTLOOK**

The performance of stock markets depends on the perception of overall economic growth of the country. Indian economy was already going through a slowdown phase due to NBFC crisis, liquidity crunch and slowdown in demand. But this slowdown turned into a full blown crisis due to breaking out of COVID-19 pandemic which led to a nationwide lockdown, causing major disruptions in the operations of many companies.

While we are reasonably optimistic that the pandemic will be contained, but we are also cautious about the lingering effects it will have not just on consumer behaviour, but also on business models. In coming months, much will depend on how the government tackles the issues of inflation, fiscal deficit, unemployment and trade. The entirety of FY 2021 will be about getting the economy back on track.

As for stock markets, the key indexes – SENSEX/NIFTY50 are expected to remain volatile until the investor community has a clear visibility on whether the worst of the pandemic has passed for good.

### **RISK MITIGATION**

Although the Company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company through Audit Committee. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are changing regulations, competition, business risk, technology obsolescence, retention of talent, and expansion of facilities. Business risk, inter alia, further includes financial risk, political risk, fidelity risk, and legal risk. As a matter of policy, these risks are assessed and steps are taken to mitigate the same.

### **MANAGEMENT PERCEPTION AND INITIATIVES:**

Bull and Bear phase are an integral part of the stock market cycle. Although the uniform settlement cycle has resulted in reduced arbitrage opportunities, the company has shifted focus on growing the institutional business as the robust growth of FIIs and DIIs inflows has become the silver lining opportunity. The Management also looks forward to better risk-reward scenarios in the future and hence is very upbeat on the investments made by the company through good quality research and there is high probability that it will make healthy returns on the same.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company has appointed M/s. H. N. Bafna & Co., Chartered Accountants as the Internal Auditors as mandated under Section 138 of the Companies Act, 2013 who examine and ensure that internal checks and control procedures are adequate. They also ensure proper accounting, records authorization, control of operations and compliance with law.

An appropriate and adequate system of internal controls exist in your Company to ensure that all assets are safeguarded and protected against loss or from misuse or disposition, and that the transactions are authorized, recorded and reported suitably. Internal control systems ensure effectiveness of operations, accuracy and promptness of financial reporting and observance with laws & regulations. The internal control is supplemented on an ongoing basis by an extensive internal audit which is conducted each year by and independent audit firm.

The internal audit report along with management comments thereon are reviewed by the Audit Committee of the Board comprising of independent and non-executive Directors on a regular basis. Implementation of the suggestions is also monitored by the Audit Committee. The internal controls are designed to ensure that the financial and other records of the Company are reliable for preparing financial statements and other data, and for maintaining accountability of assets.



**FINANCIAL PERFORMANCE**

Like FY 2019, the company booked a loss for the FY 2020 too. This is primarily on account of outbreak of COVID-19 during Q4 of FY 2020 which led to a huge crash in the stocks which went on for entirety of March 2020.

Indian economy had already been going through a slowdown phase since FY 2019 due to declining asset qualities of banks and NBFCs, trade disputes and rising unemployment fears, but there was a cautious optimism about FY 2020. The occurrence of COVID-19 pandemic is a black swan event which no one could have anticipated. We are optimistic that the pandemic will be contained through the combined efforts of all the world economies, but the revival of global economy will take some time. We expect the entirety of FY 2021 will pass through in the after effects of the pandemic.

Despite the challenges, your company believes in keeping a broad view and feels optimistic on the long term sustainability of the economic growth and stock index. In order to mitigate the risk of investment returns, the company continues to find new ways to generate additional income from the low risk, yet highly competitive brokerage business.

During FY 2020, the company booked a net loss of Rs.2297.11 lakhs against the net loss of Rs.2685.46 lakhs during FY 2019.

**DEVELOPMENTS IN HUMAN RESOURCES**

It is your Company's belief that people are at the heart of corporate, and constitute the primary source of sustainable competitive advantage. The trust of your Company's human resource development efforts, therefore, is to create a responsive and market driven organization. Your Company continues its focus on strengthening competitiveness in its business. Your directors look forward to the future with confidence. The Company has followed a conscious policy of providing training to management staff through in-house and external programs for upgrading personal and technical skills in relevant areas of functional disciplines.

**SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS (25% or MORE)**

	2018-2019	2019-2020
Interest Coverage Ratio	-42.83	-49.30
Debt Equity Ratio	0.04	0.02
Net Profit Margin (%)	-119.64 %	-134.41%

**CHANGES IN RETURN ON NETWORK**

Return on Network	2018-2019	2019-2020
	-23.22%	-24.91%

By Order of the Board  
**For Wallfort Financial Services Limited**

Sd/-

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai

## REPORT ON CORPORATE GOVERNANCE

### I. COMPANIES PHILOSOPHY ON CORPORATE GOVERNANCE

Wallfort Financial Services Limited's ("the Company") philosophy on Corporate Governance has been to ensure fairness to the Shareholders with full transparency, full disclosures, empowerment of employees and collective decision making.

### II. THE BOARD OF DIRECTORS

The Board of Directors are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

#### A. COMPOSITION

The Board has an appropriate mix of executive and independent directors to maintain its independence. This helps the Company to separate the functions of governance and management.

As on date of this report, the composition of the Board is in accordance with the requirements of Stock Exchange Board of India (Listing Obligation and Disclosure requirement) Regulation, 2015 (hereinafter called as the Listing Regulation). The Board of Directors presently comprises of 8 members. None of the directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, across all the Companies in which he / she is a Director.

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all the Directors is within the respective Limits prescribed under the Companies Act, 2013 and the Listing Regulation.

The details of each member of the Board along with the number of directorship(s)/committee membership(s) are provided herein below:

#### Composition and category of directors as on March 31, 2020

Sr No.	Name Of The Directors	Category
1	Ashok Bharadia	Manging Director (Promoter)
2	Deepak Lahoti	Whole-Time Director & CFO (Promoter)
3	Manoj Bharadia	Whole-Time Director (Promoter)
4	Sangeeta A Bharadia	Non Executive Director (Promoter)
5	Krishnagopal Biyani	Non Executive Independent Director
6	Ramkishor Darak*	Non Executive Independent Director
7	Niraj Kumar Totla*	Non Executive Independent Director
8	Ajay Mantri	Non Executive Independent Director

\* Appointed W.e.f 30th September, 2019

#### B. BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business policies and strategy apart from other business.

The Board meets at least once a quarter to review the quarterly results and other items of agenda and also on the occasion of the Annual General Meeting. Additional meetings are held whenever the Board feels that the same is required. Committees of the Board usually meet on the same day before the formal Board meeting or whenever the need arises for transacting business.

During the year under review Six (6) Board meetings were held on 27<sup>th</sup> May, 2019; 24<sup>th</sup> July, 2019; 14<sup>th</sup> August, 2019; 30<sup>th</sup> September, 2019; 9<sup>th</sup> December, 2019 and 13<sup>th</sup> February, 2020. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

The Attendance of the members of the Board at the meetings held during the year and at the last Annual General Meeting (AGM) is as under:

Sr No.	Name of The Directors	Meetings held during the tenure of the Director from 1/4/2019 to 31/3/2020	No of Meetings attended	Attendance at the last AGM
1	Ashok Bharadia	6	6	Yes
2	Ajay Mantri	6	6	Yes
3	Deepak Lahoti	6	6	Yes
4	Krishnagopal Biyani	6	4	No
5	Manoj Bharadia	6	6	Yes
6	Pramod Gupte	3	1	No
7	Sangeeta Bharadia	6	5	No
8	Ritesh Chandalia	4	1	No
9	Ramkishor Darak	3	3	No
10	Niraj Kumar Totla	3	1	No

**Details of Directorships and membership in committees held in other companies**

Sr No.	Name of The Directors	No. of Directorships in other Companies	No. of Committee position held in other Public Limited Companies
1	Ashok Bharadia	0	0
2	Deepak Lahoti	0	0
3	Manoj Bharadia	0	0
4	Sangeeta Bharadia	0	0
5	Ajay Mantri	0	0
6	Krishnagopal Biyani	3	0
7	Ramkishor Darak	2	0
8	Niraj Kumar Totla	1	0

None of the Director(s) is/are Director(s) in any other listed entity.

**Relationship between directors inter-se:**

- Mrs. Sangeeta Bharadia is spouse of Mr. Ashok Bharadia
- Mr. Ashok Bharadia Mr. Manoj Bharadia and Mr. Deepak Lahoti are cousins.

**No. of shares held by non-executive directors**

Sr No.	Name of The Directors	No. of Shares held	No. of shares held (% to total capital of the Company)
1	Krishnagopal Biyani	0	0.00
2	Sangeeta Bharadia	841910	8.69
3	Ajay Mantri	0	0.00
4	Ramkishor Darak	0	0.00
5	Niraj Kumar Totla	0	0.00

**Directors Familiarization**

Upon appointment, Directors are provided with a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The Independent Director are also taken through various business and functional sessions in the Board meeting including Board meeting to discuss strategy.

The director is explained in detail the compliance required from him / her under the Companies Act 2013, Listing Regulation, and other relevant regulations and affirmations taken with respect to the same. The details of the same are available on the website of the Company at [www.wallfort.com](http://www.wallfort.com).

The Board has indentified the following skill set with reference to its Business and Industry which are available with the Board.

Name of the Director	Expertise in Specific functional area
Mr. Ashok Bharadia	Stock Broking, Investment Banking and Institutional business, Capital Markets, Finance & Management
Mr. Manoj Bharadia	Capital Markets, Trading, administration and relationship management
Mr. Deepak Lahoti	Capital Markets, Finance & Management
Mrs. Sangeeta Bharadia	Administration
Mr. Ajay Mantri	Finance & Law
Mr. Krishnagopal Biyani	Administration
Mr. Ramkishor Darak	Management
Mr. Niraj Kumar Totla	Brand Expansion, IT infrastructure Management

**Insider Trading Code**

The Company has adopted a Code of Conduct for prevention of insider trading in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations 2015 with effect from May 15, 2015.

Further, the Company has adopted revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to amended SEBI (Prohibition of Insider Trading) Regulations, 2015 dated 31<sup>st</sup> December, 2018.

The Code is applicable to promoters, and promoters group, all directors and such designated persons who are expected to have access to un-published price sensitive information relating to the company.

**Code of Conduct**

All the Directors and Senior Management personnel have affirmed Compliance with the code of conduct. Declaration by the Managing Director under Listing Regulation is annexed hereto.

**Independent directors meeting**

During the year under review, the Independent Directors met on 13<sup>th</sup> February, 2020 inter alia, for the purpose of:

1. Evaluation of performance of non-independent directors and the Board of directors as a whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**III. COMMITTEES OF THE BOARD**

The committees of Board play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the Board, as a part of good governance practice.

Currently the Company has four committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility Committees which are duly constituted in line with the provisions of Companies Act, 2013 and Listing Regulation.

**1. AUDIT COMMITTEE**

The primary objective of the audit committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, etc. The audit committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of Companies Act 2013 and Regulation 18 of Listing Regulations. All recommendations made by the audit committee during the fiscal 2019-2020 were accepted by the Board.

In the financial year 2019-20, the Audit Committee duly met four times on 27<sup>th</sup> May, 2019; 14<sup>th</sup> August, 2019; 9<sup>th</sup> December, 2019 and 13<sup>th</sup> February, 2020.

The composition along with the attendance details of audit committee meetings are as under:

Name	Category	No. of Meetings during the year	
		Held	Attended
Ajay Mantri (Chairman)	Non Executive Independent Director	4	4
Niraj Kumar Totla	Non-Executive Independent Director	2	1
Manoj Bharadia	Whole Time Director (Promoter)	4	4
Krishnagopal Biyani	Non-Executive Independent Director	4	3
Pramod Gupte	Non-Executive Independent Director	2	1

- 1) Mr. Pramod Gupte ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2019
- 2) Mr. Niraj Kumar Totla was admitted as member of the Committee w.e.f 30<sup>th</sup> September, 2019

### 3. NOMINATION AND REMUNERATION COMMITTEE:

The primary objective of the nomination and remuneration committee is to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; to formulate the criteria for evaluation of independent directors and the Board; to devise a policy on Board diversity and to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

During the financial year 2019-20, the nomination and remuneration committee duly met two times on 24<sup>th</sup> July, 2019 and 13<sup>th</sup> February, 2020. The composition along with the attendance details of nomination and remuneration committee meetings are as under:

Name	Category	No. of Meetings during the year	
		Held	Attended
Ajay Mantri (Chairman)	Non Executive Independent Director	2	2
Krishnagopal Biyani	Non Executive Independent Director	2	1
Ritesh Chandalia	Non Executive Independent Director	1	0
Niraj Kumar Totla	Non-Executive Independent Director	1	1

- 1) Mr. Ritesh Chandalia ceased to be the Member of the Committee w.e.f 30<sup>th</sup> September, 2019.
- 2) Mr. Niraj Kumar Totla was admitted as member of the Committee w.e.f 30<sup>th</sup> September, 2019.

### Remuneration Policy

The appointment and remuneration of directors is governed by the recommendations of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration policy is directed towards rewarding performance based on review of achievements.

### Details of Remuneration paid to Directors for F.Y 2019 - 2020

Sr No.	Name Of The Directors	Designation	Salary Paid during year 2019-2020 (INR/p.a)
1.	Ashok Bharadia	Managing Director	600,000
2.	Deepak Lahoti	CFO & Whole Time Director	900,000
3.	Manoj Bharadia	Whole Time Director	600,000

The Company does not have any stock option scheme and no commission was paid to any Director during the year 2019 - 20.

- Pecuniary relationship with non-executive directors – Nil
- Details of transactions entered by the Company with non-executive directors
  1. Sitting fees paid to all the Directors for attending Board meetings.
  2. Brokerage services rendered to Mrs. Sangeeta Bharadia.
- **Criteria for making payments to non-executive directors** – The Company does not pay any sum to non-executive directors except for payment of sitting fees for attending board meetings.

**3. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Our Stakeholders' Relationship Committee comprises of three members as on March 31, 2020:

Name	Category	No. of Meetings during the year	
		Held	Attended
Ajay Mantri (Chairman)	Non Executive Independent Director	1	1
Deepak Lahoti	CFO & Whole-Time Director	1	1
Ashok Bharadia	Managing Director	1	1

The committee has been delegated authority by the Board to approve transfers/ transmission of shares, issue of share certificates etc. The committee meets as and when there are transfers/transmission of shares, or any complaints/ queries of the shareholders need to be attended.

The committee also reviews the queries and complaints received from the shareholders and the steps taken for their redressal. There were no complaints pending as on March 31, 2020.

Further details as required under Schedule V of Listing Regulations are as under:

1. Name of compliance officer – Nehal Savala
2. Details of complaints received, not solved to the satisfaction of shareholders and those which are pending:

Complaints received during the financial year 2019-20	Complaints solved during the financial year 2019-20	Complaints not solved to the satisfaction of shareholder during the financial year 2019-20	No. of pending complaints
0	0	NIL	NIL

**4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Our Corporate Social Responsibility committee comprises of three members as on March 31, 2020.

Name	Category	No. of Meetings during the year	
		Held	Attended
Ajay Mantri (Chairman)	Non Executive Independent Director	2	2
Deepak Lahoti	CFO & Whole-Time Director	2	2
Ashok Bharadia	Managing Director	2	2

The Corporate Social Responsibility (CSR) committee was constituted on 16<sup>th</sup> March 2015, which comprises of three directors. The composition of CSR committee is pursuant to the provisions of Section 135 of the Companies Act 2013 and the rules framed thereunder. The terms of reference of the CSR Committee broadly comprises of reviewing existing CSR policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 and to provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

**General Body Meetings**

The details of last three Annual and/or Extraordinary General meetings are as follows:

Year ended	Date and Time	Venue	Special Resolution Passed
March 31, 2017	September 29, 2017 at 09.00 a.m. I.S.T.	205A, Hari Chambers, S.B. Marg, Fort, Mumbai - 400 001.	To ratify and approve the appointment of Mr. Deepak Lahoti as WTD of the Company.
March 31, 2018	September 30, 2018 at 09.00 a.m. I.S.T.	205A, Hari Chambers, S.B. Marg, Fort, Mumbai - 400 001.	To appoint Mr. Ashok Bharadia as Managing Director of the Company
March 31, 2019	September 30, 2019 at 09.00 a.m. I.S.T.	205A, Hari Chambers, S.B. Marg, Fort, Mumbai - 400 001.	To appoint Mr. Ajay Mantri and Mr. Krishnagopal Biyani as Independent Directors for 2 <sup>nd</sup> term

The Company was not required to pass any of the special resolution by means of postal ballot.

**Means of Communication****1) Quarterly results**

The unaudited financial results (quarterly) are announced within 45 days of close of quarter and audited financial results are announced within 60 days from the closure of financial year as per the requirement of Listing Regulations.



**2) Details of newspaper wherein results are normally published**

In accordance with the regulation 33 of Listing Regulations the periodical unaudited/audited financial results are generally published in the following newspapers:

- Regional Language Newspapers – Mumbai Lakshadweep
- English Newspapers –The Financial Express

**3) Details of website where results are displayed –**

The Company in accordance with the requirements specified under Regulation 46 of Listing Regulations updates its website viz. [www.wallfort.com](http://www.wallfort.com) from time to time.

The said website does not display any official news releases.

During the year under review the company did not make any presentations to institutional investors or to the analysts.

**General Shareholder Information**

**1) Annual General Meeting (AGM)**

The AGM of the Company for the financial year ended March 31, 2020 will be held on Wednesday, 30<sup>th</sup> September, 2020 at 05:00 p.m. I.S.T. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)

**2) Financial Year –**The Company's Financial Year is April – March

**3) Tentative Calendar**

<b>Quarter ending</b>	<b>Expected date for approval of financial results</b>	<b>Trading Window Closure</b>
June 30, 2020	14 August, 2020	1 <sup>st</sup> July, 2020 to 16 <sup>th</sup> August, 2020
September 30, 2020	14 November, 2020	1 <sup>st</sup> October, 2020 to 16 <sup>th</sup> November, 2020
December 31, 2020	14 February, 2021	1 <sup>st</sup> January, 2021 to 16 <sup>th</sup> February, 2021
March 31, 2020	30 May, 2021	1 <sup>st</sup> April, 2021 to 2 <sup>nd</sup> June, 2021

**4) Dividend Payment Date**

No Dividend has been recommended for the financial year 2019-20

**5) Listing on stock Exchanges**

<b>Name of the Exchange</b>	<b>Address</b>	<b>Stock Code</b>
Bombay Stock Exchange Limited (BSE Ltd.)	Phorize Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001.	532053

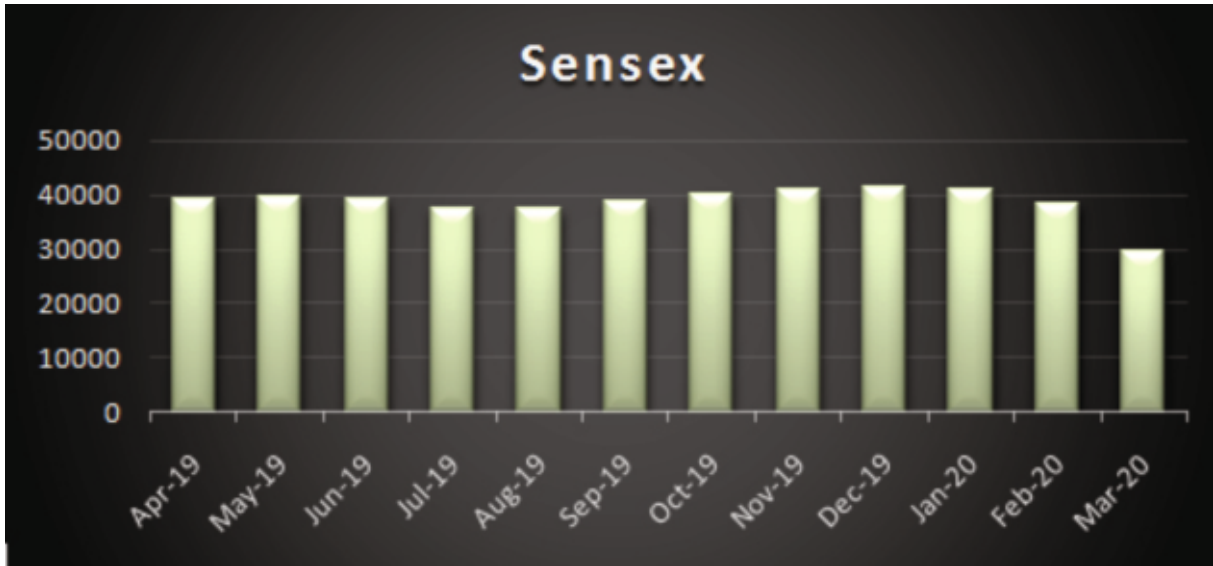
The listing fee for the financial year ended 2019-20 has been paid for the stock exchange mentioned above.

**6) Stock Market Data**

<b>Month</b>	<b>High</b>	<b>Low</b>
April-2019	32	28
May-2019	32.4	23.05
June-2019	33.9	25.1
July-2019	33.5	22.9
Aug-19	32	19.35
Sep-2019	32.2	21
Oct-2019	31.3	24.3
Nov-2019	29.4	23.25
Dec-2019	25.45	17.85
Jan-2020	26.9	18
Feb-2020	20	16.4
Mar-2020	18.75	13.25

(Courtesy:www.bseindia.com)

(7) Wallfort share price versus the BSE Sensex



(8) Registrar to an issue and share transfer agent

The details of Registrar and share transfer agent of the Company are as under:

**Satellite Corporate Services Pvt. Ltd**  
 Office no. 106 & 107, Dattani Plaza,  
 East West Compound, Andheri Kurla Road,  
 Sakinaka - Mumbai - 400 072.

**9) Share Transfer System**

Transfer of shares held in electronic form is done through the depositories with no involvement of Company.

As Per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April 2019, except in case of request received for transmission or transposition of securities.

**10) Distribution of Shareholding as on March 31, 2020**

Sr. No.	No. of Equity Shares		No. of Shareholders	No. of Shares	Percentage of Shareholding	
1	Less than	-	100	725	35228	0.36
2	101	to	500	1011	393428	4.06
3	501	to	1000	306	264950	2.74
4	1001	to	2000	73	111184	1.15
5	2001	to	3000	28	71575	0.74
6	3001	to	4000	19	64822	0.67
7	4001	to	5000	21	99193	1.02
8	5001	to	10000	27	219074	2.26
9	10001	to	20000	27	4368600	4.51
10	20001	to	50000	16	548286	5.66
11	50001	&	Above	15	7442600	76.83
	<b>TOTAL</b>			2268	9687200	100.00

**11) Dematerialization of shares and liquidity**

Equity Shares of the Company representing about 99.33 % of the Company's equity share capital are dematerialised as on March 31, 2020. The Company's shares are tradable in electronic form. Through Satellite Corporation Pvt. Ltd., Registrars and Share Transfer Agents, the Company have established connectivity with both the depositories' that are National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**12) Outstanding ADR's/ GDR's or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any ADR's/ GDR's or warrants or any convertible instruments in the past hence, the Company does not have any outstanding ADR's/ GDR's or warrants or any convertible instruments as on March 31, 2020 which will have impact on equity.

**13) Address for correspondence**

Contact details of the Key Managerial Personnel (KMP) who has been authorized by the Board to determine materiality of an event or information and for making disclosures to Stock Exchange(s) as required under Regulation 30(5) of the Listing Regulations.

**Shri. Deepak Lahoti,  
WTD and Chief Financial Officer**

Telephone No.: +91-022-66184016 • Fax No. +91-022-22644340 • Email : deepak.lahoti@wallfort.com

Contact details of the designated official who has been authorized by the Board of Directors to respond, assist and handle the grievances of investors:

**Nehal Savala  
Compliance Officer**

Telephone No.: +91-022-61146011 • Fax No. +91-022-22644340 • Email: cosec@wallfort.com

**14) No Credit Ratings obtained during Financial Year 2019-20**

**Other Disclosures**

**1) Materially significant related party transactions**

There have been no materially significant related party transactions, monetary transactions except those disclosed in Board's report.

**2) Details of Non-compliance**

**During the year under review** no penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority on any matter related to capital markets.

During the year 2017-18 SEBI had imposed the penalty of Rs. 5 Lac for violation of

- (i) SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993;
- (ii) SEBI Circular No. MIRSD/SE/Cir-19/2009 dated December 03, 2009;
- (iii) SEBI circular no. MIRSD/SE/Cir/01/2011 dated May 13, 2011;
- (iv) Exchange circulars/ clarifications bearing nos. NSE/INSP/13606 dated December 03, 2009, NSE/INSP/14048 dated February 03, 2010 and NSE/INSP/21651 dated September 09, 2012; and
- (v) SEBI circulars with respect to AML/ CFT bearing nos. CIR/MIRSD/1/2014 dated March 12, 2014 and ISD/AML/Cir-3/2010 dated December 31, 2010.

Further there has been no instance of non-compliance with any other legal requirements or on matters relating to the capital market over last three years.

**3) Details of establishment of vigil mechanism and Whistle blower policy**

The Company has adopted a Whistle Blower mechanism for directors and employees to report concerns about unethical behaviour. The said policy has been posted on the website of the Company: [www.wallfort.com](http://www.wallfort.com)

**4) Details of compliance with mandatory requirements**

The Company has complied with the requirements as mandated by the Companies Act, 2013 and Listing Regulations.

**5) Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company does not have any subsidiary, however it has formulated a material subsidiary policy for future requirements which is posted on the website of the Company at [www.wallfort.com](http://www.wallfort.com)

**6) Web link where policy on dealing with related party transaction is disclosed:**

The policy on dealing with related party transaction is posted on the website of the Company at [www.wallfort.com](http://www.wallfort.com)

**7) Commodity price risks and commodity hedging activities.**

The Company does not carry commodity price risks and Commodity hedging activities.

- 8) No funds were raised through preferential allotment or qualified institutions placements during the year under review.
- 9) The Company has complied with the requirements of sub paras (2) to (10) of Part C of Schedule V of Listing Regulations.

**10) Disclosure on Discretionary Requirements**

- A. The Board:** The office of the Chairperson of the Company is held by Executive Director
- B. Shareholder Rights:** As of now the Company is not sending half-yearly declaration of financial performance including summary of the significant events in last six-months to shareholders.
- C. Modified opinion(s) in audit report:** The Auditor has issued unmodified opinion on Financial Statements of the Company.
- D. Reporting of internal auditor:** The Internal Auditor reports to the Audit Committee.

**11) Affirmation and Disclosures**

All the members of the Board and the Senior Management Personnel have affirmed their compliance with the Code of Conduct as on 31<sup>st</sup> March, 2020 and a declaration to that effect, signed by the Managing Director is attached and forms part of this Report.

There were no material, financial or commercial transaction, between the Company and members of the Management Committee that may have a potential conflict with the interest of the Company at large.

The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulation.

**12) Disclosure on website**

The following disclosures have been updated on the website of the Company ([www.wallfort.com](http://www.wallfort.com)):

1. Details of Company's business;
2. Terms and conditions of appointment of independent directors;
3. Composition of various committees of board of directors;
4. Code of conduct of board of directors and senior management personnel;
5. Details of establishment of vigil mechanism/ Whistle Blower policy;
6. Criteria of making payments to non-executive directors;
7. Policy on dealing with related party transactions;
8. Policy for determining 'material' subsidiaries;
9. The email address for grievance redressal and other relevant details.

● **CEO and CFO Certification**

Mr. Ashok Bharadia, Managing Director and Mr. Deepak Lahoti, Chief Financial Officer have furnished CEO/CFO Certificate to the Board as provided under Regulation 17(8) and specified in Part B of Schedule II of Listing Regulations.

**DECLARATION WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT**

[Issued in accordance with provisions of the Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015]

I, Ashok Bharadia, Managing Director (DIN – 00407830) of the Company do hereby declare that the members of Board and senior management personnel have affirmed compliance with the code of conduct of Board of directors and senior management.

By Order of the Board  
**For Wallfort Financial Services Limited**

**Sd/-**

**Ashok Bharadia**  
**Chairman & Managing Director**  
(DIN – 00407830)

Date: 10<sup>th</sup> August, 2020  
Place: Mumbai

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF M/s WALLFORT FINANCIAL SERVICES LTD.**

**Report on the audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **WALLFORT FINANCIAL SERVICES LTD** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after 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 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 Standard under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our Audit addressed the matter
<p><b>First time adoption of Ind AS accounting framework</b></p> <p>The company has adopted Ind AS accounting framework effective from 01<sup>st</sup> April 2019 (transition date being 01<sup>st</sup> April 2018). Refer significant accounting policies 2a(i) and Note 44 – First time adoption of Ind AS.</p> <p>The major impact on the financials are given below:</p> <ol style="list-style-type: none"> <li>i. Classification and measurement of financial instrument.</li> <li>ii. Additional Disclosures as per the requirements of Ind AS</li> </ol> <p>The first adoption time of Ind AS accounting framework has been identified as key audit matter since it has significant impact in the financial statement of the current year and includes significant judgements of the management.</p>	<p>The procedures as given below are being followed</p> <p><b>Design/Control :</b></p> <ul style="list-style-type: none"> <li>● Assessed the design, implementation and operating effectiveness of key internal controls over management's evaluation of transition date choices and exemptions availed in line with the Ind AS 101.</li> </ul> <p><b>Substantive Test :</b></p> <ul style="list-style-type: none"> <li>● Evaluated the management exemptions and judgements availed in First Time adoption of Ind AS.</li> <li>● Understand the management's approach for First time adoption of Ind AS and test check.</li> <li>● Assessed areas of significant estimates and management judgement on transition in line with Ind AS principles</li> <li>● Evaluate that appropriate disclosures as required by Ind AS are presented in the financial statements.</li> </ul>

**Information other than financial statements and Auditors Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, 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 or conclusion thereon.

In connection with our audit of the standard 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 during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management 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 state of affairs, profit/ loss (including other comprehensive income), Statement of changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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

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.

Those Board of Directors are also 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 control 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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**

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. 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, statement of Profit and Loss Account including Other Comprehensive Income, Statement of changes in Equity and the statement of Cash Flow dealt with by this Report is in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS 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 B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position as on 31<sup>st</sup> March 2020.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

A. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For S. RAKHECHA & CO.  
Chartered Accountants  
Firm Registration No. 108490W**

**S.B. Rakhecha  
Proprietor**

Place: Mumbai  
Date: 29/06/2020

**Membership No. 038560  
UDIN: 20038560AAAABF5099**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1, under '**Report on other Legal and Regulatory Requirements**', in the Independent Auditor's Report of even date to the members of Wallfort Financial Services Ltd. ("the Company") on the financial statements for the period ended March 31, 2020.]

- i. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. The company does not hold any immovable properties.
- ii. The management has physically verified stocks of shares and debentures. In our opinion the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
- iii. According to the information and explanation given to us the company has not advanced Unsecured Loans to the Companies, or other parties maintained under Section 189 of the Companies Act 2013.
- iv. The provisions of section 185 and 186 of the Companies Act 2013 have been complied with by the company during the year under review.
- v. The Company has not accepted any deposits from the public during the period under review. Accordingly, paragraph 3(v) of the order is not applicable.
- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013 for the products of the company. Accordingly, paragraph 3(vi) of the order is not applicable.

vii. In respect of statutory dues:

The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, goods and service tax, provident fund, investor education and protection fund, employee's state insurance, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, provident fund, investor education and protection fund, employees state insurance, cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.

According to the information and explanation given to us, there are no dues of income tax, service tax, provident fund, investor education and protection fund, employees state insurance and cess that have not been deposited on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us the company does not have any loans or borrowings from any financial institution, government or debenture holders during the year. The company has availed bank overdraft facility from banks. It has not defaulted on the same.

- ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud done by the company or any fraud done on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanation given to us and based on our examination of the records of the company the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him, requiring compliance with Section 192 of the Companies Act 2013.
- xvi. The company is not required to be registered as an NBFC under Section 45-IA of the RBI Act 1934.

**For S. RAKHECHA & CO.  
Chartered Accountants  
Firm Registration No. 108490W**

**S.B. Rakhecha  
Proprietor**

Place: Mumbai  
Date: 29/6/2020

**Membership No. 038560  
UDIN: 20038560AAAABF5099**

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Wallfort Financial Services Ltd. ('the Company') as of 31 March 2020 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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



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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. RAKHECHA & CO.  
Chartered Accountants  
Firm Registration No. 108490W**

**S.B. Rakhecha  
Proprietor**

Place: Mumbai  
Date: 29/6/2020

**Membership No. 038560  
UDIN: 20038560AAAABF5099**



**AUDITOR'S CERTIFICATE**

WE HAVE VERIFIED THE ABOVE CASH FLOW STATEMENT OF **WALLFORT FINANCIAL SERVICES LIMITED** DERIVED FROM THE AUDITED FINANCIAL STATEMENT FOR THE PERIOD ENDED ON MARCH 31<sup>st</sup> 2020 AND FOUND THE SAME TO BE DRAWN IN ACCORDANCE THEREWITH AND ALSO WITH THE REQUIREMENT OF CLAUSE 32 OF THE LISTING AGREEMENT WITH STOCK EXCHANGE.

**For S. RAKHECHA & CO.  
Chartered Accountants  
Firm Registration No. 108490W**

**S.B. Rakhecha  
Proprietor**

**Membership No. 038560  
UDIN: 20038560AAAABF5099**

Place: Mumbai  
Date: 29/06/2020

**WALLFORT FINANCIAL SERVICES LTD.  
BALANCE SHEET AS AT 31ST MARCH 2020**

Rs. In Thousands

Particulars	Notes No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>I) ASSETS</b>				
<b>1. Finance Assets</b>				
a) Cash and Cash Equivalents	4	29,177.52	1,15,031.49	98,418.68
b) Bank Balance other than (a) above	5	1,24,875.00	1,60,375.00	2,18,575.00
c) Receivables				
i) Trade Receivables	6	4,555.93	5,361.01	6,610.11
d) Investments	7	6,52,268.25	9,21,046.14	11,21,087.01
e) Other Financial Assets	8	29,006.46	22,907.34	29,953.26
<b>Sub-Total Financial Assets (A)</b>		<b>8,39,883.16</b>	<b>12,24,720.98</b>	<b>14,74,644.06</b>
<b>2. Non-Finance Assets</b>				
a) Current Tax Assets (Net)	9	7,466.11	8,053.17	-
b) Deferred Tax Assets (Net)	10	88,224.75	37,388.03	-
c) Property, Plant and Equipment	11	11,034.01	13,715.09	15,590.44
d) Other Non-Current Assets	12	31,316.11	24,852.42	53,177.41
<b>Sub-Total Non-Financial Assets (B)</b>		<b>1,38,040.98</b>	<b>84,008.71</b>	<b>68,767.85</b>
<b>Total Assets (A+B)</b>		<b>9,77,924.14</b>	<b>13,08,729.69</b>	<b>15,43,411.91</b>
<b>I) LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>1) Financial Liabilities</b>				
a) Payables				
i) Trade Payables				
i) total outstanding dues of micro enterprises and small enterprises		-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	23,526.08	91,574.97	2,938.68
b) Borrowings (other than Debt Security)	14	19,787.13	50,000.00	52,201.80
c) Other Financial Liabilities	15	4,643.09	4,153.32	4,462.45
<b>Sub-total Financial Liabilities (A)</b>		<b>47,956.30</b>	<b>1,45,728.29</b>	<b>59,602.93</b>
<b>2) Non-Financial Liabilities</b>				
a) Current Tax Liability (net)	9	-	-	12,657.61
b) Deffered Tax Liability	16	-	-	40,118.08
c) Provision	17	5,763.59	4,511.11	4,310.04
d) Other Non Financial Liability	18	2,025.36	1,855.10	2,161.25
<b>Sub-Total Non-Financial Liabilities (B)</b>		<b>7,788.95</b>	<b>6,366.21</b>	<b>59,246.98</b>
<b>3. Equity</b>				
a) Equity Share Capital	19	96,872.00	96,872.00	96,872.00
b) Other Equity	20	8,25,306.90	10,59,763.19	13,27,690.00
<b>Sub-Total Equity (C)</b>		<b>9,22,178.90</b>	<b>11,56,635.19</b>	<b>14,24,562.00</b>
<b>Total Liabilities and Equity (A+B+C)</b>		<b>9,77,924.14</b>	<b>13,08,729.69</b>	<b>15,43,411.91</b>

The accompanying notes 1 to 44 an integral part of the financial statements

**This is the Balance Sheet referred to in our report of even date**

**For and on behalf of**

**Wallfort Financial Services Ltd.**

**S. Rakhecha & Company  
Chartered Accountants  
FRN No.108490W**

**Sd/-  
ASHOK BHARADIA  
(Managing Director)  
DIN: 00407830**

**Sd/-  
DEEPAK LAHOTI  
(Whole-Time Director & CFO)  
DIN: 01765511**

**CA. Suresh B. Rakhecha  
Proprietor  
M. No. 038560**

**Sd/-  
MANOJ BHARADIA  
(Whole-Time Director)  
DIN: 00035385**

**Sd/-  
Nehal Savala  
Company Secretary  
ACS 40630**

Place: Mumbai  
Date: 29/6/2020

**WALLFORT FINANCIAL SERVICES LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020.**

Rs. In Thousands

Particulars	Notes No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>Revenue from Operations</b>			
(I) Interest Income	21	12,437.05	15,870.07
(ii) Dividend Income	22	5,426.10	7,409.76
(iii) Fees and Commission Income	23	1,05,464.51	1,10,072.55
(iv) Net gain on fair value changes	24	(93,226.81)	(44,577.50)
(v) Other Operating Income	25	(2,01,064.49)	(3,13,240.50)
<b>1) Total Revenue from Operations</b>		<b>(1,70,963.64)</b>	<b>(2,24,465.61)</b>
<b>2) Other Income</b>	26	60.47	10.02
<b>3) Total Income ( 1+2 )</b>		<b>(1,70,903.17)</b>	<b>(2,24,455.60)</b>
<b>Expenses</b>			
(i) Finance Cost	27	5,628.82	7,875.70
(ii) Employee Benefit Expense	28	30,899.41	30,764.17
(iii) Depreciation and Amortisation Expense	29	2,944.92	2,888.32
(iv) Other Expenses	30	72,768.66	79,284.83
<b>4) Total Expenses</b>		<b>1,12,241.82</b>	<b>1,20,813.02</b>
<b>5) Profit before Exceptional Items and Tax</b>		<b>(2,83,144.99)</b>	<b>(3,45,268.61)</b>
6) Exceptional Items		(15.37)	96.18
<b>7) Profit before Tax</b>		<b>(2,83,160.36)</b>	<b>(3,45,172.44)</b>
<b>Income Tax Expense:</b>			
i) Current Tax		-	-
ii) Deferred Tax		(53,525.94)	(76,333.14)
iii) Short/(Excess) Provision for tax for earlier years		76.85	(293.02)
<b>8) Total Tax Expense</b>		<b>(53,449.09)</b>	<b>(76,626.16)</b>
<b>9) Profit/(Loss) for the year</b>		<b>(2,29,711.27)</b>	<b>(2,68,546.28)</b>
<b>Other Comprehensive Income</b>			
a) (i) Items that will not be reclassified to profit or loss			
-Gain on sale of financial instrument		(1,373.75)	-
-Actuarial Gain/Loss on Gratuity Valuation		(682.12)	(553.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(2,689.16)	1,172.95
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>10) Total other Comprehensive Income</b>		<b>(4,745.03)</b>	<b>619.47</b>
<b>11) Total Comprehensive Income for the year ( 9-10 )</b>		<b>(2,34,456.30)</b>	<b>(2,67,926.81)</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020.**

(Rs. In Thousands)

Particulars	Notes No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>Earnings per Equity Share for Profit attributable to Equity Shareholders</b>			
Basic ( in Rs. )		(23.71)	(27.72)
Diluted ( in Rs. )		(23.71)	(27.72)

The accompanying notes 1 to 44 an integral part of the financial statements.

**This is the Statement of Profit and Loss referred to in our report of even date**

**For and on behalf of**

**Wallfort Financial Services Ltd.**

**S. Rakhecha & Company**  
**Chartered Accountants**  
**FRN No.108490W**

**Sd/-**  
**ASHOK BHARADIA**  
**(Managing Director)**  
DIN: 00407830

**Sd/-**  
**DEEPAK LAHOTI**  
**(Whole-Time Director & CFO)**  
DIN: 01765511

**CA. Suresh B. Rakhecha**  
**Proprietor**  
**M. No. 038560**

**Sd/-**  
**MANOJ BHARADIA**  
**(Whole-Time Director)**  
DIN: 00035385

**Sd/-**  
**Nehal Savala**  
**Company Secretary**  
ACS 40630

Place: Mumbai  
Date: 29/6/2020

**WALLFORT FINANCIAL SERVICES LTD.**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020.**

Rs. In Thousands			
<b>A. Equity Share Capital</b>			
	Notes	No. of shares	Amount
<b>As at 1st April, 2018</b>	19	96,87,200	96,872
Equity Share Capital issued during the year		-	-
<b>As at 31st March, 2019</b>	19	96,87,200	96,872
Equity Share Capital issued during the year		-	-
<b>As at 31st March, 2020</b>	19	96,87,200	96,872
<b>B. Other Equity (Refer Note 20)</b>			
Particular	Reserves and Surplus Capital Reserve	Retained Earnings	Other Comprehen- sive Income Total
<b>Balance as at April 1, 2018</b>	4,070.00	13,23,620.00	- 13,27,690.00
Changes in accounting policy/prior period errors	-	-	-
Restated balance at the beginning of the reporting period	4,070.00	13,23,620.00	- 13,27,690.00
Profit for the year	-	(2,68,546.28)	(2,68,546.28)
Other Comprehensive Income for the year	-	-	619.47 619.47
<b>Total Comprehensive Income for the year</b>	-	(2,68,546.28)	619.47 (2,67,926.81)
Movement for the year	-	-	-
<b>Balance as at March 31, 2019</b>	4,070.00	10,55,073.72	619.47 10,59,763.19
<b>Balance as at April 1, 2019</b>	4,070.00	10,55,073.72	619.47 10,59,763.19
Changes in accounting policy/prior period errors	-	-	-
Restated balance at the beginning of the reporting period	4,070.00	10,55,073.72	619.47 10,59,763.19
Profit for the year	-	(2,29,711.27)	(2,29,711.27)
Other Comprehensive Income for the year	-	-	(4,745.03) (4,745.03)
Total Comprehensive Income for the year	-	(2,29,711.27)	(4,745.03) (2,34,456.30)
Movement for the year	-	(1,373.75)	1,373.75 -
<b>Balance as at March 31, 2020</b>	4,070.00	8,23,988.70	(2,751.81) 8,25,306.89

This is the Statement of Changes in Equity referred to in our report of even date

For and on behalf of

Wallfort Financial Services Ltd.

**S. Rakhecha & Company**  
Chartered Accountants  
FRN No.108490W

Sd/-  
**ASHOK BHARADIA**  
(Managing Director)  
DIN: 00407830

Sd/-  
**DEEPAK LAHOTI**  
(Whole-Time Director & CFO)  
DIN: 01765511

**CA. Suresh B. Rakhecha**  
Proprietor  
M. No. 038560

Sd/-  
**MANOJ BHARADIA**  
(Whole-Time Director)  
DIN: 00035385

Sd/-  
**Nehal Savala**  
Company Secretary  
ACS 40630

Place: Mumbai  
Date: 29/6/2020

**WALLFORT FINANCIAL SERVICES LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. In Thousands

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b><u>A.CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
<b>Profit before tax</b>	<b>(2,83,160.36)</b>	<b>(3,45,172.44)</b>
Adjustment for:		
Depreciation, Amortisation and Impairment	2,944.92	2,888.32
Net gain on fair value changes	93,166.35	44,577.50
(Gain)/Loss on sale of equity instrument	95,018.67	1,10,109.99
Profit on sale of Fixed Asset	15.37	(96.18)
Actuarial Gain or Loss on post employment benefit	(682.12)	(553.49)
Interest Expense	5,628.82	7,875.70
Interest Income	(12,437.05)	(15,870.07)
Dividend Income	(5,426.10)	(7,409.76)
<b>Operating Profit before Working Capital changes</b>	<b>(1,04,931.50)</b>	<b>(2,03,650.42)</b>
Adjustment for:		
1) (Increase) / Decrease in Trade Receivables	805.08	1,249.09
2) Investment in Fixed deposit having maturity more than 3 months (Net of maturity)	35,500.00	58,200.00
3) (Increase) / Decrease in Other Financial Assets	(6,099.12)	7,045.91
4) (Increase) / Decrease in Non Current Assets	(6,463.69)	28,324.99
5) Increase / (Decrease) in Trade Payables	(68,048.89)	88,636.29
6) Increase / (Decrease) in Borrowings	(30,212.87)	(2,201.80)
7) Increase / (Decrease) in Other Financial Liabilities	489.77	(309.13)
8) Increase / (Decrease) in Provision	1,252.48	201.07
9) (Increase) / Decrease in Other Non-Financial Liabilities	170.26	(306.15)
<b>Cash generated from Operations</b>	<b>(1,77,538.49)</b>	<b>(22,810.14)</b>
Taxes Paid	1,316.73	(20,028.37)
<b>Net cash used in operating activities</b>	<b>(1,76,221.76)</b>	<b>(42,838.51)</b>
<b><u>B.CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets	(581.28)	(1,183.80)
Sale of Fixed Assets	302.07	267.00
Net Cash used for Fixed Assets	(279.21)	(916.80)
Purchase of Investments	(11,86,176.56)	(22,76,297.16)
Sale of Investments	12,65,395.67	23,21,650.54
Net Cash used for Investments	79,219.11	45,353.38
Dividend Received	5,426.10	7,409.76
<b>Net cash used for investing activities</b>	<b>84,366.00</b>	<b>51,846.35</b>
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Interest Received	11,630.61	15,480.67
Interest Paid	(5,628.82)	(7,875.70)
<b>Net cash used for financing activities</b>	<b>6,001.79</b>	<b>7,604.97</b>
<b>Net (Decrease)/Increase in cash and cash equivalents</b>	<b>(85,853.96)</b>	<b>16,612.81</b>
Add : Cash and cash equivalents as at the beginning of the year	1,15,031.49	98,418.68
<b>Cash and cash equivalents as at the end of the year</b>	<b>29,177.52</b>	<b>1,15,031.48</b>

**25th Annual Report 2019-20****Components of cash and cash equivalents**

Cash on hand	410.47	202.52
In Current Accounts	28,767.05	92,328.97
Term deposit with bank (Original Maturity less than 3 months)	-	22,500.00

The accompanying notes 1 to 44 an integral part of the financial statements.

This is the Cash Flow Statement referred to in our report of even date.

**For and on behalf of**

**Wallfort Financial Services Ltd.**

**S. Rakhecha & Company**  
**Chartered Accountants**  
**FRN No.108490W**

**Sd/-**  
**ASHOK BHARADIA**  
**(Managing Director)**  
DIN: 00407830

**Sd/-**  
**DEEPAK LAHOTI**  
**(Whole-Time Director & CFO)**  
DIN: 01765511

**CA. Suresh B. Rakhecha**  
**Proprietor**  
**M. No. 038560**

**Sd/-**  
**MANOJ BHARADIA**  
**(Whole-Time Director)**  
DIN: 00035385

**Sd/-**  
**Nehal Savala**  
**Company Secretary**  
ACS 40630

Place: Mumbai  
Date: 29/6/2020



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020****Note 1 : CORPORATE INFORMATION**

Wallfort Financial Services Ltd (" WFSL" or the ' the Company') is a public limited company and incorporated under the Companies Act, 1956 on 16th November, 1994. The Company is domiciled in India and the addresses of its registered office and principal place of business (205A, Hari Chambers, S B Marg, Fort Mumbai Mumbai City MH 400001 IN)

**Note 2 : SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of preparation****(i) Compliance with Ind AS**

The Financial Statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ( "the Act" ) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2020 are the first financial statements of the Company under Ind AS. Refer note 44 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.`

The Transition to Ind As has been carried out in accordance with Ind As 101 " First Time Adoption of Indian Accountitng Standards" Accordingly, the impact of transition has been recorded in the opening reserves as at 1st April, 2018.`

The financial statements have been prepared using the significant accountng policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions under transition to Ind As.

**(ii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.

- defined benefit plans – plan assets measured at fair value; and

**(iii) Preparation of financial statements**

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 41.

**(iv) Use of estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

**(v) Operating cycle**

Based on the nature of its activities, the Company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

**(b) Revenue recognition**

The Company recognises revenue from contracts with customers as set out in 'Ind AS 115 Revenue from Contracts with Customers', to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

## i) Brokerage fee income

It is recognised on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

## ii) Interest income

Interest income is recognized on a time proportion basis.

## iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

## iv) Other income

In case of other Income, revenue is recognized during the period in which the services are rendered.

**(d) Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each income head adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**Current Tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred Tax**

Deferred tax is recognised on temporary difference between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities and assets are measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**(d) Financial instruments****Initial recognition and measurement:**

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss.

**Fair Value of Financial Instrument:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 42.

**A) Financial Assets****(i) Classification and Subsequent Measurement**

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair Value through Profit & Loss (FVTPL)
- Fair Value through Other Comprehensive Income (FVTOCI)
- Amortised Cost

**1. Financial assets carried at amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met:

- The 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 (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in interest income in the Statement of Profit and Loss.

**2. Financial assets carried at Fair Value through Other Comprehensive Income (FVTOCI)**

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met :

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**3. Financial assets carried at Fair Value through Profit & loss**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

**4. Equity Instruments**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either

at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

**(ii) Impairment of financial assets**

- i. The Company is not recognising estimated credit loss on trade receivables since the company is dealing with regulated entities and has not experienced any loss due to credit risk since inception.
- ii. The Company also does not recognises impairment on investment in shares since they are measured at fair value

**(iii) Derecognition**

A financial asset is derecognised only when :

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**B) Financial Liabilities**

**(i) Initial recognition and measurement**

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

**(ii) Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss,

**(iii) Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**(l) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

**(j) Property, plant and equipment**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress". Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non financial assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognised.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**Depreciation methods, estimated useful lives and residual values**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013. Depreciation for additions to/deductions from, owned Assets is calculated on pro rata basis.

**(l) Leases as per Ind AS 116**

The company only has short term lease contracts less than 12 months. Accordingly the company directly charge the lease rentals to the profit and loss statement.

**(m) Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(n) Employee benefits****(i) Short-term obligations**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are encashed as at the end of the year in which the employees render the related service.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund.

**Defined Benefit Obligation**

The following post – employment benefit plans are covered under the defined benefit plans:



**Gratuity :**

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

**Defined Contribution Plans :**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

**(o) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period

**(p) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits.

**(q) Earnings per****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

**(ii) Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti dilutive.



**r) Statement of Cash flow**

Statement of Cash flow is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net surplus is adjusted for the effects of changes during the period in inventories, operating receivables and payables transactions of a non-cash nature

- i. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- ii. All other items for which the cash effects are investing or financing cash flows.

**s) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest in thousands as per the requirement of Schedule III, unless otherwise stated.

**Note 3: Key accounting estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- b) Allowance for impairment of financial asset: Judgements are required in assessing the recoverability of overdue loans and determining whether a provision against those loans is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- c) Recognition of deferred tax assets: Deferred tax assets are recognised for unused tax loss carry forwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.
- d) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.
- e) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Note 4 : Cash and Cash Equivalent</b>			
Cash in hand	410.47	202.52	124.95
<b>Balance with banks</b>	-	-	-
- In current accounts	28,767.05	92,328.97	24,893.73
- Term Deposit with Banks	-	-	-
Fixed deposits with banks (maturity within 3 months)*	-	22,500.00	73,400.00
<b>Total</b>	<b>29,177.52</b>	<b>1,15,031.49</b>	<b>98,418.68</b>
* Fixed deposits are pledged with exchange and banks for meeting margin requirements and for obtaining bank guarantee respectively.			
<b>Note 5 : Bank Balance other than (4) above</b>			
- Term Deposit with Banks			
Fixed deposits with banks (original maturity more than 3 months but less than 12 months)	77,500.00	9,500.00	1,78,700.00
Fixed deposits with banks (maturity more than 12 months)*	47,375.00	1,50,875.00	39,875.00
<b>Total</b>	<b>1,24,875.00</b>	<b>1,60,375.00</b>	<b>2,18,575.00</b>
* Fixed deposits are pledged with exchange and banks for meeting margin requirements and for obtaining bank guarantee respectively.			
<b>Note 6 : Trade Receivable</b>			
Secured considered good	-	-	-
Unsecured considered good	4,555.93	5,361.01	6,610.11
Less: Allowance for impairment loss	-	-	-
<b>Total</b>	<b>4,555.93</b>	<b>5,361.01</b>	<b>6,610.11</b>

\* The Company consider that as per their actual credit loss experience over the preceeding three to five years there is negligible risk with respect to trade receivables. Hence, the company has not calculated ECL on the balance of trade receivable.

\*\*No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Rs. In Thousands

Note :7 Name of Company	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Qty	Value	Qty	Value	Qty	Value
Investment in Equity Share at Fair Value through Profit and Loss A/c						
<u>Quoted</u>						
<b>Equity Shares - fully paid up</b>						
Arvind Limited	-	-	1,00,000	9,080.00	-	-
Career Point Limited	-	-	-	-	1,00,000	10,750.00
Cheviot Co.Limited.	40,000	20,294.00	40,000	26,424.00	25,000	34,268.75
DLF Limited	-	-	1,00,000	20,160.00	-	-
EIH Associated Hotels	-	-	25,000	9,612.50	-	-
Eros International Media Limited	-	-	2,00,000	15,740.00	-	-
Force Motors Limited	25,000	18,387.50	-	-	-	-
Garden Reach Shipbuilder & Engineers Limited	1,00,000	13,695.00	-	-	-	-
Goodricke Group Limited	60,000	6,273.00	60,000	13,080.00	-	-
Gujarat Narmada Valley Fertilizers & Chemicals Limited.	-	-	50,000	15,345.00	65,000	23,656.75
Indian Bank	-	-	1,00,000	27,850.00	-	-
International Paper Appm Limited	-	-	30,000	13,404.00	-	-
Ion Exchange India	30,000	18,070.50	-	-	-	-
Ircon International Limited	-	-	50,000	20,072.50	-	-
JK Paper Limited	1,00,000	7,455.00	-	-	-	-
Kaveri Seed Company Limited	20,000	6,816.00	-	-	-	-
Keltech Energies Limited	-	-	-	-	10,000	12,340.50
Kitex Garments Limited	-	-	1,00,000	10,200.00	-	-
Mahindra Lifespace Developers Limited	-	-	82,000	29,466.70	-	-
Meghmani Organics Limited	2,00,000	7,430.00	-	-	-	-
National Fertilizers Limited	-	-	5,00,000	17,675.00	-	-
NBCC Limited	-	-	-	-	-	-
Novartis India Limited	-	-	-	-	25,000	15,307.50
Premier Explosives Limited	-	-	-	-	1,00,000	33,500.00
Rashtriya Chemicals & Fertilizers Limited	-	-	-	-	10,00,000	73,200.00
Raymond Limited	-	-	-	-	-	-
Renaissance Jewellery Ltd	-	-	1,00,000	30,540.00	1,00,000	31,125.00
Response Informatics Ltd	10,000	90.30	10,000	108.10	10,000	54.00
Rites Limited	-	-	80,000	20,724.00	-	-
RSWM Limited	-	-	-	-	1,00,000	32,990.00
Salzer Electronics Limited.	-	-	-	-	2,42,000	48,121.70

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Note :7 Name of Company	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Qty	Value	Qty	Value	Qty	Value
Sukhjit Starch & Chemicals Limited.	84,000	11,197.20	84,000	21,525.00	50,000	23,497.50
Talwalkars Better Value Fitness Limited.	2,65,000	209.35	-	-	3,00,000	51,990.00
Talwalkars Healthclubs Limited	-	-	4,65,000	55,544.25	3,00,000	56,971.92
Tata Chemicals Limited	50,000	11,150.00	60,000	35,250.00	1,00,000	67,675.00
TATA Consumer Product Limited	57,000	16,803.60	-	-	-	-
Transport Corporation Of Va Tech Wabag Limited	60,000	11,289.00	1,00,000	32,290.00	2,00,000	53,250.00
Vijaya Bank	95,000	7,861.25	-	-	50,000	24,792.50
Welspun India Limited	-	-	-	-	7,00,000	36,330.00
Welsun Corp Limited	-	-	-	-	-	-
Welsun Corp Limited	2,00,000	12,480.00	85,000	11,530.25	-	-
<b>Investment in Share - At Fair Value through Other Comprehensive Income</b>						
<b>Unquoted</b>						
<b>Equity Shares-fully paid up</b>						
Arvind Clothing P. Limited.	-	-	-	-	44,000	7,744.00
Arvind Finlease P. Limited.	-	-	-	-	1,500	436.50
Bhor Wakeloc	400	15.18	400	15.18	400	15.18
Caladenio Limited	14,700	147.00	14,700	147.00	14,700	147.00
Chattisgarh Project India P. Limited.	90,900	1,92,019.42	73,300	1,53,739.42	73,300	1,53,739.42
CSE Limited	250	716.54	250	716.54	250	716.54
Wallfort Properties P. Ltd.	5,00,000	1,66,660.00	5,00,000	1,66,660.00	5,00,000	1,66,660.00
Wallfort Share & Stock Brokers P. Limited.	50,000	16,399.50	1,75,000	57,398.25	1,75,000	57,398.25
<b>Preference Shares -</b>						
- Wallfort Properties P. Limited.	81,18,000	1,04,409.00	81,18,000	1,04,409.00	81,18,000	1,04,409.00
<b>Investment in Capital Contribution - At Fair Value through Profit &amp; Loss A/c</b>						
Artha Venture Fund	-	2,399.91	-	2,339.45	-	-
<b>Total</b>	<b>1,01,70,250</b>	<b>6,52,268.25</b>	<b>1,13,02,650</b>	<b>9,21,046.14</b>	<b>1,24,04,150</b>	<b>11,21,087.01</b>
Aggregate amount of Impairment	-	-	-	-	-	-
Aggregated amount of quoted investment	<b>10,41,000</b>	<b>1,69,501.70</b>	<b>22,36,000</b>	<b>4,35,621.30</b>	<b>25,27,000</b>	<b>6,29,821.12</b>
Market value of quoted investment	<b>10,41,000</b>	<b>1,69,501.70</b>	<b>22,36,000</b>	<b>4,35,621.30</b>	<b>25,27,000</b>	<b>6,29,821.12</b>
Aggregated carrying amt. of unquoted investment	<b>91,29,250</b>	<b>4,82,766.55</b>	<b>90,66,650</b>	<b>4,85,424.84</b>	<b>98,77,150</b>	<b>4,91,265.89</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Particulars	Rs. In Thousands		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Note 8 : Other Financial Assets</b>			
Security Deposits	11,078.97	11,078.97	11,071.63
Accrued Interest Income	16,595.00	11,029.20	17,969.63
Advances to employees	1,332.49	799.17	912.00
<b>Total</b>	<b>29,006.46</b>	<b>22,907.34</b>	<b>29,953.26</b>
<b>Note 9 : Current Tax Assets (Net)</b>			
Payment of Taxes ( Net of provisions)	7,466.11	8,053.17	(12,657.61)
<b>Total</b>	<b>7,466.11</b>	<b>8,053.17</b>	<b>(12,657.61)</b>
<b>Note 10 : Deferred Tax Assets (Net)</b>			
Temporary difference in carrying value of property, plant and equipment	461.93	200.49	-
Temporary difference on business loss	1,39,065.64	94,783.30	-
Temporary difference on employees benefit obligation	1,603.43	1,254.99	-
Temporary difference in fair market value of investment - Quoted	16,228.20	7,594.54	-
Temporary difference in fair market value of investment - Unquoted	(69,134.45)	(66,445.29)	-
<b>Total</b>	<b>88,224.75</b>	<b>37,388.03</b>	<b>-</b>
<b>Note 12 : Other Non-Financial Assets</b>			
Silver	28,832.65	20,289.17	20,289.17
Prepaid expenses	1,274.03	1,304.64	1,236.25
Balance with government authorities	-	-	5.30
Other Receivable	1,209.43	3,258.61	31,646.69
<b>Total</b>	<b>31,316.11</b>	<b>24,852.42</b>	<b>53,177.41</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Rs. In Thousands

Note :11 :Property, Plant & Equipments & Intangible Assets	Office Equipment	Computer	Vehicles	Plant & Machinery	Furniture & Fixtures	Total
<b>Gross Carrying Value</b>						
<b>As at April 1, 2018</b>	739.46	3,608.27	9,113.82	1,022.18	1,106.71	15,590.44
Additions	354.16	140.64	605.00	84.00	-	1,183.80
Disposals	-	-	226.52	-	-	226.52
Other Adjustments	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>1,093.62</b>	<b>3,748.91</b>	<b>9,492.30</b>	<b>1,106.18</b>	<b>1,106.71</b>	<b>16,547.72</b>
Additions	144.00	252.58	-	184.70	-	581.28
Disposals	-	-	527.45	-	-	527.45
Other Adjustments	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>1,237.62</b>	<b>4,001.49</b>	<b>8,964.85</b>	<b>1,290.88</b>	<b>1,106.71</b>	<b>16,601.55</b>
<b>Accumulated Depreciation/Impairment</b>						
<b>As at April 1, 2018</b>	-	-	-	-	-	-
Depreciation for the year	208.73	707.15	1,690.74	102.86	178.84	2,888.32
Deductions/ adjustments during the period	-	-	55.69	-	-	55.69
<b>As at March 31, 2019</b>	<b>208.73</b>	<b>707.15</b>	<b>1,635.05</b>	<b>102.86</b>	<b>178.84</b>	<b>2,832.63</b>
Depreciation for the year	253.32	651.40	1,754.08	115.41	170.70	2,944.91
Deductions/ adjustments during the period	-	-	210.00	-	-	210.00
<b>As at March 31, 2020</b>	<b>462.05</b>	<b>1,358.55</b>	<b>3,179.13</b>	<b>218.26</b>	<b>349.55</b>	<b>5,567.54</b>
<b>Net Carrying Value as at March, 31 2020</b>	<b>775.57</b>	<b>2,642.94</b>	<b>5,785.73</b>	<b>1,072.61</b>	<b>757.16</b>	<b>11,034.01</b>
<b>Net Carrying Value as at March, 31 2019</b>	<b>884.89</b>	<b>3,041.76</b>	<b>7,857.25</b>	<b>1,003.32</b>	<b>927.87</b>	<b>13,715.09</b>
<b>Net Carrying Value as at April 1, 2018</b>	<b>739.46</b>	<b>3,608.27</b>	<b>9,113.82</b>	<b>1,022.18</b>	<b>1,106.71</b>	<b>15,590.44</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Note 13 : Trade Payable</b>			
i) total outstanding dues of micro enterprises and small enterprises ( Refer Note No : 37 )	-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	23,526.08	91,574.97	2,938.68
<b>Total</b>	<b>23,526.08</b>	<b>91,574.97</b>	<b>2,938.68</b>
<b>Note 14 : Borrowings</b>			
<b>Secured</b>			
<b>Demand loans</b>			
(i) From banks*	19,787.13	-	52,201.80
<b>Unsecured</b>			
Inter Corporate Deposits**	-	50,000.00	-
<b>Total</b>	<b>19,787.13</b>	<b>50,000.00</b>	<b>52,201.80</b>
<small>*Demand loan from bank is secured by pledge/mortgage of the companies securities and Guaranteed by some of the Directors and some relatives jointly and severally</small>			
<small>**Unsecured ICD received from Nirmal Bang and is repayable on demand.</small>			
<b>Note 15 : Other Financial Liabilities</b>			
Provision for expenses	4,179.27	3,657.38	3,569.66
Other payables	463.82	495.94	892.79
<b>Total</b>	<b>4,643.09</b>	<b>4,153.32</b>	<b>4,462.45</b>
<b>Note 16 : Deferred Tax Liability (Net)</b>			
Temporary difference in carrying value of property, plant and equipment	-	-	(97.43)
Temporary difference on business loss	-	-	(28,246.96)
Temporary difference on employees benefit obligation	-	-	(1,255.08)
Temporary difference in fair market value of investment - Quoted	-	-	2,099.31
Temporary difference in fair market value of investment - Unquoted	-	-	67,618.24
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40,118.08</b>
<b>Note 17 : Provision</b>			
Provision for Gratuity (Refer Note No. 39)	5,763.59	4,511.11	4,310.04
<b>Total</b>	<b>5,763.59</b>	<b>4,511.11</b>	<b>4,310.04</b>
<b>Note 18 : Non Financial Liability</b>			
Payable to Statutory Authority	2,025.36	1,855.10	2,161.25
<b>Total</b>	<b>2,025.36</b>	<b>1,855.10</b>	<b>2,161.25</b>



**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Rs. In Thousands

Note : 19	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Numbers	In Rupees	Numbers	In Rupees	Numbers	In Rupees
Equity Share Capital						
<b>Authorised</b>						
Equity Shares of Rs. 10/-	<b>1,10,00,000</b>	<b>11,00,00,000</b>	<b>1,10,00,000</b>	<b>11,00,00,000</b>	<b>1,10,00,000</b>	<b>11,00,00,000</b>
<b>Issued</b>						
Equity shares of Rs. 10 each fully paid up	1,05,01,200	1,05,012.00	1,05,01,200	1,05,012.00	1,05,01,200	1,05,012.00
Less: Equity Shares of Rs 10 each forfeited	8,14,000	8,140.00	8,14,000	8,140.00	8,14,000	8,140.00
<b>Subscribed and paid up</b>						
96,87,200 (previous year 96,87,200 ) Equity Shares of Rs. 10/-	96,87,200	96,872.00	96,87,200	96,872.00	96,87,200	96,872.00
	<b>96,87,200</b>	<b>96,872.00</b>	<b>96,87,200</b>	<b>96,872.00</b>	<b>96,87,200</b>	<b>96,872.00</b>

**a ) The reconciliation of the number of shares outstanding at the beginning and at the year end**

Equity Shares	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Numbers	In Rupees	Numbers	In Rupees	Numbers	In Rupees
<b>a) Authorised Share Capital</b>						
At the beginning of the year	1,10,00,000	1,10,000.00	1,10,00,000	1,10,000.00	1,10,00,000	1,10,000.00
Add/less during the year	-	-	-	-	-	-
Outstanding at the end of year	<b>1,10,00,000</b>	<b>1,10,000.00</b>	<b>1,10,00,000</b>	<b>1,10,000.00</b>	<b>1,10,00,000</b>	<b>1,10,000.00</b>
<b>b) Issued, subscribed and paid up</b>						
At the beginning of the year	96,87,200	96,872.00	96,87,200	96,872.00	96,87,200	96,872.00
Add/less during the year	-	-	-	-	-	-
Outstanding at the end of year	<b>96,87,200</b>	<b>96,872.00</b>	<b>96,87,200</b>	<b>96,872.00</b>	<b>96,87,200</b>	<b>96,872.00</b>

**b) Terms / Right attached to shares**

- i) The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing AGM, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.
- ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

c ) Details of share held by each shareholder holding more than 5% shares in the Company

Equity Shares	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
<b>Equity Shares</b>						
Anil Jain	10,00,000	10.32%	10,00,000	10.32%	10,00,000	10.32%
Ashok Bharadia	12,00,010	12.39%	12,00,010	12.39%	12,00,010	12.39%
Sangeeta Bharadia	8,41,910	8.69%	8,41,910	8.69%	8,41,910	8.69%
Manoj Bharadia	19,60,360	20.24%	19,60,360	20.24%	19,60,360	20.24%

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<b>Note 20 : Other Equity</b>			
Capital Reserve	4,070.00	4,070.00	4,070.00
Retained earnings	8,23,988.71	10,55,073.73	13,23,620.00
Other Comprehensive Income Reserve	(2,751.81)	619.47	-
<b>Total Other equity</b>	<b>8,25,306.90</b>	<b>10,59,763.19</b>	<b>13,27,690.00</b>
<b>Capital Reserve</b>			
Balance at the beginning of the year	4,070.00	4,070.00	4,070.00
Add/(Less): Addition/Transfer during the year	-	-	-
<b>Balance at the end of the year</b>	<b>4,070.00</b>	<b>4,070.00</b>	<b>4,070.00</b>
<b>Retained Earnings</b>			
Balance at the beginning of the year	10,55,073.73	13,23,620.00	12,22,695.93
Profit for the year	(2,29,711.27)	(2,68,546.28)	1,00,924.06
Gains/Loss on Sales of Equity Instruments through OCI	(1,373.75)	-	-
<b>Balance at the end of the year</b>	<b>8,23,988.71</b>	<b>10,55,073.73</b>	<b>13,23,620.00</b>
<b>Other Comprehensive Income</b>			
Balance at the beginning of the year	619.47	-	-
Provision for Gratuity	(682.12)	(553.49)	-
Gain/Loss on sale of financial Instrument	(1,373.75)	-	-
Deferred Tax	(2,689.16)	1,172.95	-
Less: Transfer on Gain/(Loss) of Financial Instrument on Disposal to Retained Earnings	1,373.75	-	-
<b>Balance at the end of the year</b>	<b>(2,751.81)</b>	<b>619.47</b>	<b>-</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. In Thousands

Particulars	As At 31st March, 2020	As At 31st March, 2019
<b>Note 21 : Interest Income</b>		
Interest on deposits with banks	11,482.84	15,332.79
Interest on IT Refund	806.44	389.40
Interest on Exchange Deposit	147.77	147.88
<b>Total</b>	<b>12,437.05</b>	<b>15,870.07</b>
<b>Note 22 : Dividend Income</b>		
Dividend on investments	5,426.10	7,409.76
<b>Total</b>	<b>5,426.10</b>	<b>7,409.76</b>
<b>Note 23 : Fees and Commission Income</b>		
Brokerage income	1,05,464.51	1,10,072.55
<b>Total</b>	<b>1,05,464.51</b>	<b>1,10,072.55</b>
<b>Note 24 : Net Gain on Fair Value changes</b>		
Remeasurement of financial Instrument	(93,226.81)	(44,577.50)
<b>Total</b>	<b>(93,226.81)</b>	<b>(44,577.50)</b>
<b>Note 25 : Other Operating Income</b>		
Income from DP Operations	814.98	827.18
Business Income	(1,06,917.64)	(2,03,748.03)
Gain from sale of financial instrument	(95,018.67)	(1,10,109.99)
Error Delivery	56.85	(209.66)
<b>Total</b>	<b>(2,01,064.49)</b>	<b>(3,13,240.50)</b>
<b>Note 26 : Other Income</b>		
Other	60.47	10.02
<b>Total</b>	<b>60.47</b>	<b>10.02</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Note 27 : Finance Cost</b>		
Bank Interest	4,661.43	6,879.13
Bank Gurantee	816.11	384.95
Interest Paid	151.28	611.62
<b>Total</b>	<b>5,628.82</b>	<b>7,875.70</b>
<b>Note 28 : Employee Benefit Expense</b>		
Directors Remmuneration	2,100.00	2,250.00
Salaries and Employee Benefits	21,440.72	22,644.00
Employers Contribution to Provident and Other Funds	608.61	697.34
Gratuity	868.31	876.43
Staff Mediclaim	1,077.31	901.63
Staff Welfare	4,804.46	3,394.77
<b>Total</b>	<b>30,899.41</b>	<b>30,764.17</b>
<b>Note 29 : Depreciation and Amortisation Expense</b>		
Depreciation on property, plant & equipment	2,944.92	2,888.32
<b>Total</b>	<b>2,944.92</b>	<b>2,888.32</b>
<b>Note 30 : Other Expense</b>		
Audit Fees	177.00	177.00
Computer Expenses	849.97	871.81
Consultancy & Professional Charges	1,728.66	2,119.04
CSR Expenses	4,160.46	1,367.00
Data Subscription	5,196.53	4,962.90
Directors Sitting Fees	195.00	260.00
Electricity	501.74	589.68
Misc Expenses	5,218.04	7,024.08
Office Expenses	9,723.41	7,261.42
Printing and Stationery	434.12	614.33
Rent	6,183.00	6,009.00
Repairs and Maintainance	476.48	913.15
Securities Transaction Tax	14,277.17	18,399.80
Stamp Duty	4,876.39	5,479.58
Stock Exchange Expenses	10,414.49	14,466.47
Telecommunication Expenses	1,022.11	1,337.33
Travelling Expenses	4,378.14	4,117.10
Vehicle Expenses	2,955.97	3,315.15
<b>Total</b>	<b>72,768.66</b>	<b>79,284.83</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Payment to Auditors</b>		
Audit fees	100.00	100.00
Tax audit fees	40.00	40.00
In other capacity	37.00	37.00
<b>Total</b>	<b>177.00</b>	<b>177.00</b>
<b>Note 31 : Earning per Equity Shares (EPS)</b>		
The following reflect the profit and share data used in the basic and diluted EPS computations:		
Total operations for the year		
Profit after tax attributable to shareholders	(2,29,711.26)	(2,68,546.28)
Basic and weighted average number of equity share outstanding during the year	96,87,200	96,87,200
Normal value of equity share	10.00	10.00
Basic EPS	<b>(23.71)</b>	<b>(27.72)</b>
Diluted EPS	<b>(23.71)</b>	<b>(27.72)</b>
<b>Note 32 : Contingent Liability and Commitments (to the extent not provided for)</b>		
<b>Contingent liabilities</b> In respect of Bank Guarantee to Stock Exchanges against Fixed Deposits of Rs. 40,000/- thousands ( previous year Rs. 25,000/- thousands)	80,000	50,000
<b>Total</b>	<b>80,000</b>	<b>50,000</b>

**Note 33 : Segment Reporting**

The Company has only one business segment, which is stock broking business and only one reportable geographical segment. The company is also engaged in investment of shares and securities but it is not a business activity. Accordingly, these financial statements are reflective of the information required as per Ind AS 108 "Operating Segments" notified under section 133 of the Companies Act, 2013, there are no reportable segment applicable to the company.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Note 34 : Tax Expense</b>		
<b>A) Deferred Tax</b>		
<b>Deferred tax relates to the following:</b>		
a) Temporary difference in carrying value of property, plant and equipment as per books and tax base	461.93	200.49
b) Business Loss Carried Forward	1,39,065.64	94,783.30
c) Post Employment Benefit	1,603.43	1,254.99
d) Revaluation of FVTPL investments to fair value	16,228.20	7,594.54
e) Revaluation of FVTOCI investments to fair value	(69,134.45)	(66,445.29)
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>88,224.75</b>	<b>37,388.03</b>
<b>B) Movement in deferred tax liabilities/assets</b>		
<b>Opening Balance</b>		
Tax income/(expense) during the period recognised in profit or loss	53,449.09	76,626.16
Tax income/(expense) during the period recognised in OCI	(2,689.16)	1,172.95
<b>Closing Balance</b>	<b>50,759.93</b>	<b>77,799.11</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**C) Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:**

**1) Income Tax recognized in Profit & Loss A/c.**

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Current income tax charge	-	-
b) Deferred tax		
Relating to origination and reversal of temporary differences	(53,525.94)	(76,333.14)
c) Short/(Excess) Provision for tax of earlier years	76.85	(293.02)
<b>Income tax expense recognised in Profit or Loss</b>	<b>(53,449.09)</b>	<b>(76,626.16)</b>
<b>2) Income Tax recognized in OCI</b>		
a) Revaluation of FVTOCI investments to fair value	2,689.16	(1,172.95)
<b>Income tax expense recognised in OCI</b>	<b>2,689.16</b>	<b>(1,172.95)</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**D) Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2019.**

Rs. In Thousands		
Particulars	As at 31st March, 2020	As at 31st March, 2019
Profit before tax from continuing operations	(2,83,144.98)	(3,45,268.62)
Profit before tax from discontinuing operations	-	-
<b>Accounting profit before income tax</b>	<b>(2,83,144.98)</b>	<b>(3,45,268.62)</b>
Enacted tax rate in India	27.82%	27.82%
<b>Income tax on accounting profits</b>	<b>(78,770.93)</b>	<b>(96,053.73)</b>
<b>Tax effect of</b>		
Expenses not deductible for tax purpose	44,969.61	34,796.69
Exempt Income	(1,509.54)	(2,061.40)
Tax adjustment of previous years	76.85	(293.02)
Effect on deferred tax balances due to the changes in income tax rate	-	1,178.12
Temporary difference on Business loss carried forward	(18,215.07)	(14,192.83)
<b>Tax at effective income tax rate</b>	<b>(53,449.09)</b>	<b>(76,626.16)</b>

**Note 35 : Lease**

The Company claims exemption from recognizing impact of Ind AS 116 'Leases'. The exemption can be availed only when the lessee has entered into:

- i) Short-term lease and
- ii) Lease for which underlying asset is of low value

For above exemption, short term lease means a lease having lease term of 12 months or less and does not include an option to purchase the underlying asset. The Company has entered into lease agreements that have lease term of less than 12 months. The Company has also given refundable interest free security deposits under certain agreements.

Lease Payments are recognised as per lessee's policy in the statement of Profit and Loss under 'Other Expenses' in Note no. 29. Rent expenses of Rs. 6,183.00/- (Previous year- Rs. 6,009.00/-) in respect of obligation under operating leases.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Note 36 : Provision made for the year ended 31st March, 2020 comprises of :**

Rs. In Thousands				
Particulars	Opening Balance as on 1-Apr-19	Provided during the year	Provision paid reversed	Closing Balance as on 31-Mar-20
Gratuity	4,511.00	1,550.43	(297.94)	5,763.60
<b>Total</b>	<b>4,511.00</b>	<b>1,550.43</b>	<b>(297.94)</b>	<b>5,763.60</b>
<b>*Provision made for the year ended 31st March, 2019 comprises of</b>				
Gratuity	4,310.04	1,429.92	(1,228.85)	4,511.11
<b>Total</b>	<b>4,310.04</b>	<b>1,429.92</b>	<b>(1,228.85)</b>	<b>4,511.11</b>

**Note 37 : Corporate Social Responsibility**

The Company has constituted the CSR Committee as required under the provisions of the Companies Act, 2013. Based on the recommendations of the CSR Committee, the Board of Directors of Wallfort Financial Services Ltd. approved the CSR Budget of Rs. 397/- thousand for FY 2019-20 (Previous year Rs. 2581.62/- thousand) towards CSR activities.

- Gross amount required to be spent by the company during the year is Rs. 397/- thousand (Previous year Rs. 2581.62/- thousand)
- Amount spent during the year is Rs. 4160.46/- thousand (Previous year Rs. 1367/- thousand).

Rs. In Thousands		
Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Construction/acquisition of any asset:	-	-
b) On purpose other than (a) above are as follows	4,160.46	1,367.00
<b>Total</b>	<b>4,160.46</b>	<b>1,367.00</b>



**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Note 38 : Due to Micro, Small and Medium Enterprises**

The Company has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April 2018
The Principal amount remaining unpaid at the year end	-	-	-
The Interest amount remaining unpaid at the year end	-	-	-
The amount of interest paid by the	-	-	-
The amount of interest due and	-	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-	-
The amount of further interest due	-	-	-
<b>The balance of MSMED parties as at the year end</b>	-	-	-

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Note 39 : Employees Benefit Obligation****Gratuity**

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

The gratuity plan is a unfunded plan.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:**

Particulars	Presentation Value of Obligation
<b>As at April 1, 2018</b>	<b>4,310.04</b>
Current service cost	537.66
Interest expense/(income)	338.77
Past Service Cost	-
<b>Total amount recognised in profit or loss</b>	<b>876.43</b>
Remeasurements	
(Gain)/Loss from change in Demographic assumptions	-
(Gain)/Loss from change in financial assumptions	35.91
Experience (gains)/losses	517.58
Return on plan assets excluding amounts included in interest income	-
<b>Total amount recognised in other comprehensive income</b>	<b>553.49</b>
Less: Benefit payments	(1228.85)
Less: Contribution by employer	-
<b>As at March 31, 2019</b>	<b>4,511.11</b>
Current service cost	351.42
Interest expense/(income)	516.89
Past Service Cost	-
<b>Total amount recognised in profit or loss</b>	<b>868.31</b>
Remeasurements	
(Gain)/Loss from change in Demographic assumptions	606.83
(Gain)/Loss from change in financial assumptions	75.29
Experience (gains)/losses	-
<b>Total amount recognised in other comprehensive income</b>	<b>682.12</b>
Less: Benefit payments	(97.94)
Less: Contribution by employer	(200.00)
<b>As at March 31, 2020</b>	<b>5,763.60</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

## b) The significant actuarial assumptions were as follows:

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>The significant actuarial assumptions were as follows:</b>		
Interest/Discount rate	6.86% p.a	7.79% p.a
Rate of increase in compensation	5.00% p.a	5.00% p.a
Expected average remaining service	16 years	17 years
Retirement Age	60 years	60 years
	For All Service Groups at	For All Service Groups at
Employee Attrition Rate	2.00% p.a	2.00% p.a

## c) A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

	Discount Rate		Salary Growth Rate	
	1% increase	1% decrease	1% increase	1% decrease
<b>Sensitivity Level</b>				
<b>March 31, 2020</b>				
Impact on defined benefit obligation	(648.38)	785.27	792.29	(664.55)
% Impact	-11.25%	13.62%	13.75%	-11.53 %
<b>March 31, 2019</b>				
Impact on defined benefit obligation	(471.36)	568.89	579.47	(486.96)
% Impact	-10.45%	12.61%	12.85%	-10.79 %

## d) The following payments are expected contributions to the defined benefit plan in future years

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>The significant actuarial assumptions were as follows:</b>		
Expected Payout Year one	874.58	418.44
Expected Payout Year two	148.81	139.41
Expected Payout Year three	159.92	491.31
Expected Payout Year four	169.49	142.53
Expected Payout Year five	176.78	150.18
Expected Payout Year six to ten	1,557.54	1,513.20
Expected Payout Year Eleven and Above	13,744.82	11,808.81
	-	-
<b>Total expected payments</b>	<b>16,831.94</b>	<b>14,663.88</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 0.0 years (March 31, 2019: 6.61 years)

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020****Note 40 : Related Party Transaction****a) Details of related parties**

Description of relationship	Names of related parties
Key Managerial Persons:	Ashok Bharadia, Deepak Lahoti, Manoj Bharadia, Nehal Savala, Sangeeta Bharadia.
Relatives of Key Managerial Persons :	Annapurna Bharadia, Ashok Bharadia HUF, Aniket Bharadia, Aditya Maheshwari, Abhishek Maheshwari, Aditi Bharadia, Aayush Deepak Lahoti, Deepa Bharadia, Damodari Bharadia, Deepak Lahoti HUF, Kamladeevi Bharadia, Keshav Manoj Bharadia, Mulchand Lahoti, Megha Vijay Bharadia, Manoj Bharadia HUF, Mulchand Lahoti HUF, Neha Bharadia, Poonam Lahoti, Pankaj Lahoti, Pankaj Lahoti HUF, Pratik Bharadia, Rajkumar Bharadia, Ramdevi Lahoti, Rashmi Deepak Lahoti, Ramkumar Bharadia HUF, Radhakishan Bharadia, Radhakishan Bharadia HUF, Ritika Ashok Bharadia, Sangeeta Bharadia, Shyamsunder Bharadia, Sarita Maheshwari, Shrivallabh Bharadia, Sunil Ramkumar Bharadia, Shrivallabh Bharadia HUF, Shyamsunder Bharadia HUF, Sunil Ramkumar Bharadia HUF, Tulsiram Bhardia HUF, Vandana Bharadia, Vijay Shyamsunder Bharadia.
Companies/ Firms/ controlled by Key Managerial Persons / Relatives	Wallfort Properties Private Limited, Wallfort Commodities Private Limited, Wallfort PMS & Advisory Services Limited, Chattisgarh Project India Private Limited.

**b) Compensation of key management personnel of the Company**

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company includes the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of Ind AS 24 Related Party Disclosures.

**c) Transactions with key management personnel of the Company**

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

**d) Details of related party transactions during the year ended 31st March,2020 and balance outstanding as at 31st March, 2019.**

**Rs. In Thousands**

Particulars	Key Managerial Persons		Relative of Key Managerial Persons		Companies/ Firms/ controlled by Key Managerial Persons / Relatives		TOTAL	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Brokerage received	5.22	28.82	30.58	153.23	15.17	16.60	50.97	198.65
Sale of Shares	-	-	-	3956.00	-	-	-	3956.00
Purchase of Shares	-	-	-	-	38,280.00	-	38,280.00	-
Rent paid	1,269.90	1,269.90	4,139.10	4,139.10	-	-	5,409.00	5,409.00
Salary	2,745.00	2,800.00	4,870.00	5,880.00	-	-	7,615.00	8,680.00

**e) Disclosure in respect of major related party transactions during the year:**

**Rs. In Thousands**

Particulars	Relationship	Current Year	Previous Year
<b>1) Brokerage received</b>			
Wallfort PMS & Advisory Services LLP	Companies/Firm controlled by KMP or by their relatives	3.28	16.60
Wallfort Commodities Pvt. Ltd.	Companies/Firm controlled by KMP or by their relatives	11.89	-
Ashok Bharadia	Key Managerial Persons	0.14	12.59
Deepak Lahoti	Key Managerial Persons	0.02	0.02
Manoj Ramanand Bharadia	Key Managerial Persons	5.02	16.18
Sangeeta Bharadia	Key Managerial Persons	0.05	0.02
Annapurna Bharadia	Relatives of Key Managerial Persons	0.01	0.03
Ashok Bharadia HUF	Relatives of Key Managerial Persons	6.05	25.00
Aniket Bharadia	Relatives of Key Managerial Persons	0.03	0.02
Aditya Maheshwari	Relatives of Key Managerial Persons	0.01	0.02
Abhishek A. Maheshwari	Relatives of Key Managerial Persons	0.01	0.03
Aditi Bharadia	Relatives of Key Managerial Persons	0.02	0.00
Ayush Deepak Lahoti	Relatives of Key Managerial Persons	0.69	0.15
Deepa Bharadia	Relatives of Key Managerial Persons	0.01	0.02
Damodari Bharadia	Relatives of Key Managerial Persons	0.03	0.02
Deepak Lahoti HUF	Relatives of Key Managerial Persons	1.32	30.36
Kamladevi Bharadia	Relatives of Key Managerial Persons	0.01	0.02
Keshav Manoj Bharadia	Relatives of Key Managerial Persons	0.20	0.63
Mool Chand Lahoti	Relatives of Key Managerial Persons	0.10	0.02
Megha Vijay Bharadia	Relatives of Key Managerial Persons	0.04	1.55
Manoj Bharadia HUF	Relatives of Key Managerial Persons	11.63	14.59
Moolchand Lahoti HUF	Relatives of Key Managerial Persons	3.73	11.11
Madhav Sunil Bharadia	Relatives of Key Managerial Persons	0.04	-
Neha Bharadia	Relatives of Key Managerial Persons	0.01	3.10
Poonam P Lahoti	Relatives of Key Managerial Persons	0.91	0.71
Pankaj M Lahoti	Relatives of Key Managerial Persons	0.76	0.52
Pankaj Lahoti HUF	Relatives of Key Managerial Persons	1.75	13.44
Pratik Bharadia	Relatives of Key Managerial Persons	0.02	0.02
Pranit Manoj Bharadia	Relatives of Key Managerial Persons	0.01	-

Rs. In Thousands

Particulars	Relationship	Current Year	Previous Year
Pranay Manoj Bharadia	Relatives of Key Managerial Persons	0.01	-
Ramkumar Bharadia	Relatives of Key Managerial Persons	0.04	0.03
Ramdevi Lahoti	Relatives of Key Managerial Persons	1.21	0.07
Rashmi Deepak Lahoti	Relatives of Key Managerial Persons	1.07	4.79
Ramkumar Bharadia HUF	Relatives of Key Managerial Persons	0.03	8.51
Radhakishan Bharadia	Relatives of Key Managerial Persons	0.02	0.03
Radhakishan Bharadia HUF	Relatives of Key Managerial Persons	0.07	8.57
Ritika Ashok Bharadia	Relatives of Key Managerial Persons	0.07	0.08
Shyamsunder Bharadia	Relatives of Key Managerial Persons	0.43	0.02
Sarita Maheshwari	Relatives of Key Managerial Persons	0.02	0.01
Shrivallabh Bharadia	Relatives of Key Managerial Persons	0.02	0.02
Sunil Ramkumar Bharadia	Relatives of Key Managerial Persons	0.02	0.02
Shrivallabh Bharadia HUF	Relatives of Key Managerial Persons	0.05	7.25
Shyam Sunder Bharadia HUF	Relatives of Key Managerial Persons	0.06	6.35
Sunil Bharadia HUF	Relatives of Key Managerial Persons	0.07	9.05
Tulsiram Bharadia HUF	Relatives of Key Managerial Persons	0.01	0.03
Vandana Bharadia	Relatives of Key Managerial Persons	0.01	7.03
Vijay Shyamsunder Bharadia	Relatives of Key Managerial Persons	0.02	0.03
<b>2) Sale of Share</b>			
Megha Vijay Bharadia	Relatives of Key Managerial Persons	-	3,956.50
<b>3) Purchase of Shares</b>			
Chattisgarh Project India Private Ltd.	Companies/Firm controlled by KMP or by their relatives	38,280.00	-
<b>4) Rent Paid</b>			
Ashok Bharadia	Key Managerial Persons	1,269.90	1,269.90
Vandana Bharadia	Relatives of Key Managerial Persons	1,269.90	1,269.90
Deepa Bharadia	Relatives of Key Managerial Persons	1,620.00	1,620.00
Megha Bharadia	Relatives of Key Managerial Persons	1,249.20	1,249.20
<b>5) Salary Paid</b>			
Manoj Ramanand Bharadia	Key Managerial Persons	600.00	650.00
Deepak Lahoti	Key Managerial Persons	900.00	950.00
Ashok Bharadia	Key Managerial Persons	600.00	650.00
Nehal M Savla	Key Managerial Persons	645.00	550.00
Vijay Bharadia	Relatives of Key Managerial Persons	-	200.00
Aditya Maheshwari	Relatives of Key Managerial Persons	600.00	650.00
Aniket Bharadia	Relatives of Key Managerial Persons	480.00	520.00
Sunil Bharadia	Relatives of Key Managerial Persons	600.00	650.00
Moolchand Lahoti	Relatives of Key Managerial Persons	-	650.00
Shrivallabh Bharadia	Relatives of Key Managerial Persons	700.00	650.00
Pratik Bharadia	Relatives of Key Managerial Persons	540.00	585.00
Pankaj Lahoti	Relatives of Key Managerial Persons	-	350.00
Abhishek Maheshwari	Relatives of Key Managerial Persons	420.00	455.00
Aditi Bharadia	Relatives of Key Managerial Persons	480.00	520.00
Keshav Bharadia	Relatives of Key Managerial Persons	450.00	-
Neha Bharadia	Relatives of Key Managerial Persons	600.00	650.00

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Note 41 : Financial Risk Management**

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity/real estate risk.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

**Foreign currency Risk Management**

In respect of the foreign currency transactions, the company does not hedge the exposures since the management believes that the same is insignificant in nature and will not have a material impact on the Company.

**ii) 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 change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding. In respect of fluctuating interest rate, the company does not have any borrowings from banks and financial institution and therefore the company is not significantly exposed to interest rate risk.

**(iii) Market price risk**

The Company is exposed to market price risk, which arises from FVTPL and FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**(B) Credit risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits. Other financial assets like security deposits, loans and bank deposits are mostly with exchange, lease rent and banks and hence, there is negligible credit risk with respect to them.

The carrying amount of financial assets represents the maximum credit exposure.

**(C) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Contractual maturities of financial liabilities**

Rs. In Thousands

Particulars	Carrying Amount	Less than 1 Year	1 to 5 Years	More than 5 Years
<b>As at March 31st, 2020</b>				
Borrowings	19,787.13	19,787.13	-	-
Trade payables	23,526.08	23,526.08	-	-
Other financial liabilities	4,643.09	4,643.09	-	-
<b>Total Financial Liabilities</b>	<b>47,956.30</b>	<b>47,956.30</b>	-	-

Particulars	Carrying Amount	Less than 1 Year	1 to 5 Years	More than 5 Years
<b>As at March 31st, 2019</b>				
Borrowings	50,000.00	50,000.00	-	-
Trade payables	91,574.97	91,574.97	-	-
Other financial liabilities	4,153.32	4,153.32	-	-
<b>Total Financial Liabilities</b>	<b>1,45,728.29</b>	<b>1,45,728.29</b>	-	-

Particulars	Carrying Amount	Less than 1 Year	1 to 5 Years	More than 5 Years
<b>As at April 1st, 2018</b>				
Borrowings	52,201.80	52,201.80	-	-
Trade payables	2,938.68	2,938.68	-	-
Other financial liabilities	4,462.45	4,462.45	-	-
<b>Total Financial Liabilities</b>	<b>59,602.93</b>	<b>59,602.93</b>	-	-



**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**Note 42 : Fair Value Management****I. Accounting classification and fair values**

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy: Rs. In Thousands

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>1st April, 2018</b>								
<b>FINANCIAL ASSETS</b>								
Investments	6,29,821.12	4,91,265.89	-	11,21,087.01	6,29,821.12	3,86,694.71	1,04,571.18	11,21,087.01
Security Deposits	-	-	11,071.63	11,071.63	-	-	-	-
Trade Receivables	-	-	6,610.11	6,610.11	-	-	-	-
Cash and Cash Equivalents	-	-	98,418.68	98,418.68	-	-	-	-
Other Bank Balances	-	-	2,18,575.00	2,18,575.00	-	-	-	-
Other Financial Assets	-	-	18,881.63	18,881.63	-	-	-	-
<b>Total financial assets</b>	<b>6,29,821.12</b>	<b>4,91,265.89</b>	<b>3,53,557.05</b>	<b>14,74,644.06</b>	<b>6,29,821.12</b>	<b>3,86,694.71</b>	<b>1,04,571.18</b>	<b>11,21,087.01</b>

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	52,201.80	52,201.80	-	-	-	-
Trade payables	-	-	2,938.68	2,938.68	-	-	-	-
Other financial liabilities	-	-	4,462.45	4,462.45	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>59,602.93</b>	<b>59,602.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2019 are as follows:

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>FINANCIAL ASSETS</b>								
Investments	4,37,960.75	4,83,085.39	-	9,21,046.14	4,35,621.30	3,78,514.21	1,06,910.63	9,21,046.14
Security Deposits	-	-	11,078.97	11,078.97	-	-	-	-
Trade Receivables	-	-	5,361.01	5,361.01	-	-	-	-
Cash and Cash Equivalents	-	-	1,15,031.49	1,15,031.49	-	-	-	-
Other Bank Balances	-	-	1,60,375.00	1,60,375.00	-	-	-	-
Other Financial Assets	-	-	11,828.38	11,828.38	-	-	-	-
<b>Total financial assets</b>	<b>4,37,960.75</b>	<b>4,83,085.39</b>	<b>3,03,674.84</b>	<b>12,24,720.98</b>	<b>4,35,621.30</b>	<b>3,78,514.21</b>	<b>1,06,910.63</b>	<b>9,21,046.14</b>

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	50,000.00	50,000.00	-	-	-	-
Trade payables	-	-	91,574.97	91,574.97	-	-	-	-
Other financial liabilities	-	-	4,153.32	4,153.32	-	-	-	-
Total financial liabilities	-	-	1,45,728.29	1,45,728.29	-	-	-	-

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**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:

Rs. In Thousands

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>FINANCIAL ASSETS</b>								
Investments	1,71,901.61	4,80,366.64	-	6,52,268.25	1,69,501.70	3,75,795.46	1,06,971.09	6,52,268.25
Security Deposits	-	-	11,078.96	11,078.96	-	-	-	-
Trade Receivables	-	-	4,555.93	4,555.93	-	-	-	-
Cash and Cash Equivalents	-	-	29,177.52	29,177.52	-	-	-	-
Other Bank Balances	-	-	1,24,875.00	1,24,875.00	-	-	-	-
Other Financial Assets	-	-	17,927.50	17,927.50	-	-	-	-
<b>Total financial assets</b>	<b>1,71,901.61</b>	<b>4,80,366.64</b>	<b>1,87,614.91</b>	<b>8,39,883.16</b>	<b>1,69,501.70</b>	<b>3,75,795.46</b>	<b>1,06,971.09</b>	<b>6,52,268.25</b>

Particulars	Carrying Amount				Fair Value			
	FVPL	FVOCI	AMORTISED COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	19,787.13	19,787.13	-	-	-	-
Trade payables	-	-	23,526.08	23,526.08	-	-	-	-
Other financial liabilities	-	-	4,643.09	4,643.09	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>47,956.29</b>	<b>47,956.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The management assessed that the fair value of cash and cash equivalent, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**ii. Valuation technique used to determine fair value**

**Specific Valuation techniques used to value financial instruments include:**

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares.
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

**iii. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

**Note 43 : Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholder through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's capital management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

**Note 44 : First Time Adoption of Ind AS**

**Transition to Ind AS**

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31st March, 2020, the comparative information presented in these financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 1st April, 2018 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**WALLFORT FINANCIAL SERVICES LTD.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**Ind AS optional exemptions**

**i. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment covered by Ind AS 16 - Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

**ii. Designation of previously recognised financial instrument**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI or FVTPL on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity investments.

**Ind AS mandatory exceptions**

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

**Estimates:**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- 1) Investment in equity instruments carried at FVPL or FVOCI;

**B. Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

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**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

**I. Reconciliation of total equity as at March 31st, 2019 and April 1st, 2018.**

Rs. In Thousands		
Particulars	As at 31st March, 2019	As at 1st April, 2018
<b>Networth as per previous GAAP</b>	<b>8,85,753.74</b>	<b>11,17,491.47</b>
<b>Adjustments:</b>		
Fair valuation of investments	3,29,732.19	3,76,788.08
Tax effects of adjustments	(58,850.74)	(69,717.56)
<b>Total adjustments</b>	<b>2,70,881.45</b>	<b>3,07,070.53</b>
<b>Total equity as per Ind AS</b>	<b>11,56,635.19</b>	<b>14,24,562.00</b>

**ii. Reconciliation of total comprehensive income for the year ended March 31, 2019**

Rs. In Thousands	
Particulars	As at 31st March, 2019
<b>Profit after tax as per previous GAAP</b>	<b>(2,31,737.73)</b>
<b>Adjustments:</b>	
Gain on sale of financial instruments	(2,478.40)
Remeasurement of equity instrument	(44,577.50)
Employees Benefit expense - Gratuity	553.49
Tax Adjustment on above	9,693.86
<b>Total adjustments</b>	<b>(36,808.55)</b>
<b>Profit after tax as per Ind AS</b>	<b>(2,68,546.28)</b>
<b>Other comprehensive income</b>	<b>619.47</b>
<b>Total comprehensive income as per Ind</b>	<b>(2,67,926.81)</b>

**C. Notes to first-time adoption:**

**Note 1: Fair valuation of investments**

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2019. This increased the retained earnings by INR 2708,81,439/- as at March 31 2019 (April 1, 2018 - INR 3070,70,529/-).

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**Note 2: Deferred tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings or a separate component of equity.

**Note 3: Remeasurement of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss under the previous GAAP. As a result of this change, the profit for the year ended March 31, 2019 increased by Rs. 553.49/- thousand. There is no impact on the total equity as at 31 March 2019.

**Note 4: Retained earnings**

Retained earnings as at April 1, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

**Note 5: Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.