

**MORGAN VENTURES LIMITED**

**33<sup>rd</sup> ANNUAL REPORT  
2019 - 2020**



**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

**Mr. Shahzeb Khan**

Managing Director

**Mr. Mahendra Kumar Doogar**

Independent Director

**Mr. Krishankumar Gupta**

Independent Director

**Mrs. Kamlesh**

Woman Director

**BOARD OF COMMITTEES**

**AUDIT COMMITTEE**

**Mr. Krishan Kumar Gupta**

Chairman

**Mr. Shahzeb Khan**

Member

**Mr. Mahendra Kumar Doogar**

Member

**NOMINATION AND REMUNERATION  
COMMITTEE**

**Mr. Krishan Kumar Gupta**

Chairman

**Mr. Mahendra Kumar Doogar**

Member

**Mrs. Kamlesh**

Member

**STAKE HOLDER RELATIONSHIP COMMITTEE**

**Mr. Mahendra Kumar Doogar**

Chairman

**Mr. Shahzeb Khan**

Member

**Mrs. Kamlesh**

Member

**CHIEF FINANCIAL OFFICER**

Mr. Dharam Kumar

**COMPANY SECRETARY AND COMPLIANCE  
OFFICER**

Mr. Anand Kumar Mishra

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi - 110020

**REGISTERED OFFICE**

37, Ring Road, Lajpat Nagar-IV,

New Delhi - 110024

**E- MAIL ADDRESS**

morgan@morganventures.in

Secretarial@goyalgroup.com

**WEBSITE**

[www.morganventures.in](http://www.morganventures.in)

**AUDITORS**

**Statutory Auditors**

R. TAYAL & ASSOCIATES,

Practicing Chartered Accountants

228, U.S. Complex, 120, Mathura Road,

Opp. Apollo Hospital, Sarita Vihar,

New Delhi - 110076

**Internal Auditors**

Pawan Sachdeva & Company

Practicing Chartered Accountants

475, 1<sup>st</sup> Floor,

West Parmanand Colony,

Delhi – 110009

**Secretarial Auditors**

ANUJ GUPTA & ASSOCIATES

Practicing Company Secretaries

187, H/5, 2nd Floor, Kilokari,

Opp. Maharani Bagh, Above Easy Day Fair

Price, Back Door Entry,

New Delhi - 110014

**BANKERS**

HDFC Bank Ltd., K. G. Marg, New Delhi

ICICI Bank Ltd., NFC Branch, New Delhi

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 33<sup>RD</sup> ANNUAL GENERAL MEETING ('AGM') OF MORGAN VENTURES LIMITED** will be held on Wednesday, the 30<sup>th</sup> September, 2020 at 10.00 A.M. at 53, Friends Colony (East), New Delhi 110065 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the year 2020 including audited Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Kamlesh (DIN: 07529414), who retires by rotation and, being eligible, offers herself for re-appointment.

**By order of the Board  
For Morgan Ventures Limited**

Sd/-

**Anand Kumar Mishra  
Company Secretary**

**Place: New Delhi  
Date: 25<sup>th</sup> August, 2020**

**IMPORTANT NOTES:**

1. The Register of Members and the Share Transfer books of the Company will remain closed from 23<sup>rd</sup> September, 2020 to 30<sup>th</sup> September, 2020(both days inclusive).
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of AGM. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolutions/ authority, as applicable.
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

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6. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
7. Electronic copy of the Annual Report for 2020 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2020 are being sent in the permitted mode.
8. Electronic copy of the Notice of the 33<sup>rd</sup> AGM of the Company, inter alia, along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.
9. For members who have not registered their email address, physical copies of the Notice of the 33<sup>rd</sup> AGM of the Company, inter alia, along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
10. Members may also note that the Notice of the 33<sup>rd</sup> AGM, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2020 will also be available on the Company's website [www.morganventures.in](http://www.morganventures.in) for their download.
11. No gift/ coupon will be distributed at Annual General Meeting

**VOTING THROUGH ELECTRONIC MEANS:**

- I. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 33<sup>rd</sup> AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 27<sup>th</sup> September, 2020 (9:00 am) and ends on 29<sup>th</sup> September, 2020 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.

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VI. The details of the process and manner for remote e-voting are explained herein below:

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2:** Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below:  
Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:
  - a) For Members who hold shares in demat account with NSDL - 8 Character DP ID followed by 8 Digit Client ID for example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*
  - b) For Members who hold shares in demat account with CDSL - 16 Digit Beneficiary ID For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*
  - c) For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company for example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*
5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com). If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

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8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**GENERAL INSTRUCTIONS:**

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available to the Downloads section of <https://www.evoting.nsdl.com>

1. You can also update your mobile number and e-mail ID in the profile details of the folio which may be used for sending future communication (s).
2. Mr. Pardeep Ishwar Singh & Co., Practicing Chartered Accountant (having Firm Registration No.024658N) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. The Scrutinizer shall immediately after the conclusion voting at the AGM, first count votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Consolidated Scrutinizers Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than three working days from the conclusion of the AGM.
4. The Results shall be declared forthwith after the submission of Consolidated Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
5. The Results declared along with the Scrutinizers Report (s) will be available on the website of the Company [www.morganventures.in](http://www.morganventures.in) and on the website of NSDL immediately after the declaration of the results by the Chairman.

**By order of the Board**  
**For Morgan Ventures Limited**

Sd/-  
**Anand Kumar Mishra**  
**Company Secretary**

**Place: New Delhi**  
**Date: 25<sup>th</sup> August, 2020**



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**DIRECTORS' REPORT**

To

**The Members of**

**Morgan Ventures Limited**

Your Directors are pleased to present the 33<sup>rd</sup> Annual Report on the business and operations together with Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and Profit & Loss Account of the Company for the period ended on 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

Your Company's performance during the year as compared with the previous year is summarized as below:

(Amount in Rs. thousands)

Particulars	For the Current Year ended 31.03.2020	For the Previous Year ended 31.03.2019
<b>Total Revenue</b>	12,308.90	(29,280.50)
<b>Total Expenses</b>	12,791.88	2,168.50
<b>Profit before Tax</b>	(482.98)	(31,449)
<b>Tax Expenses:</b>		
- Current Tax	-	42.10
- Adjustment of tax relating to earlier periods	1.68	-
- MAT Credit Entitlement utilised/ (Claimed)	(81.03)	-
- Deferred Tax	599.97	(8,641.35)
<b>Net Profit</b>	(1,003.60)	(22,849.75)
<b>Other Comprehensive Income</b>	-	-
<b>Earning Per Share</b>		
- Basic	(0.10)	(2.31)
- Diluted	(0.10)	(2.31)

**BUSINESS PERFORMANCE**

The performance of your Company during the year under review has been satisfactory. The total income of the Company for the period under review was Rs. 12,308.90 (in Rs. '000) as against Rs. (29,280.50) (in Rs. '000) in the last year and the net profit / (loss) after tax and adjustment relating to earlier years for the period under review was Rs. (1,003.60) (in Rs. '000) as against Rs. (22,849.75) (in Rs. '000) in the last year.

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**DIVIDEND**

With a view to conserve the resources to meet the fund requirements of the Company, your directors express their inability to recommend dividend for the year under report.

**TRANSFER TO RESERVE**

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review

**MATERIAL CHANGES & COMMITMENTS**

There have been no material changes and commitment which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report

**DIRECTORS & KEY MANAGERIAL PERSONNEL**

During the financial year, there are following changes in Board of Directors and Key Managerial Personnels of the Company.

Mr. Shashank Mishra, Company Secretary has resigned w.e.f. 23<sup>rd</sup> April, 2019.

Mr. Ajit Prasad Singh was appointed as Company Secretary of the Company w.e.f. 30<sup>th</sup> May, 2019. Further, Mr. Ajit Prasad Singh resigned from his office with effect from 31<sup>st</sup> July, 2019.

Mr. S.C. Goyal, Managing Director retires from his office w.e.f. 29<sup>th</sup> July, 2019.

Mr. S.C. Goyal has resigned from directorship w.e.f. 14<sup>th</sup> August, 2019.

Mr. Shahzeb Khan was appointed as Managing Director of the Company w.e.f. 14<sup>th</sup> August, 2019.

Mr. Naveen Bhatnagar was appointed as Company Secretary of the Company w.e.f. 01<sup>st</sup> August, 2019.

Mrs. Kamlesh, Director of the Company retires by rotation and being eligible offers herself for re-appointment. The Board recommends her appointment at ensuing Annual General Meeting.

Mr. Naveen Bhatnagar has resigned from his office w.e.f. 02<sup>nd</sup> January, 2020.

Mr. Anand Kumar Mishra was appointed as Company Secretary of the Company w.e.f. 01<sup>st</sup> February, 2020.

**PUBLIC DEPOSITS**

The Company has not accepted, invited or renewed any public deposits during the period under review. The Company has no deposits which are due or unclaimed at the end of the year.

**SUBSIDIARIES & JOINT VENTURES**

The Company is not having any subsidiary neither Company has entered into any joint venture agreement during the year.

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**AUDITORS & AUDITORS' REPORT**

M/s R. Tayal & Associates, Chartered Accountants was appointed as Statutory Auditors of the Company for a term of 4 (Four) consecutive years, at the Annual General Meeting of the Company held on 29<sup>th</sup> September, 2018.

The observations and comments given by the Auditors in their report read together with notes on Financial Statements are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013

**DETAILS OF FRAUD REPORTED BY AUDITOR**

As per Auditors' report, no fraud under Section 143(12) of the Companies Act, 2013 is reported by the Auditor

**BOARD'S COMMENT ON THE AUDITORS' REPORT**

The observations of the Statutory Auditors when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comments.

**PARTICULARS OF LOANS AND INVESTMENT**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

**SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT**

M/s Anuj Gupta & Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the financial year 2019-2020, as required under Section 204 of the Companies Act, 2013 read with rules made thereunder.

The Secretarial Audit report for the financial year 2019-2020 is self-explanatory and forms part of the annual Report and Annexed with the Board Report of the Company.

**COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS & indAS APPLICABILITY**

In compliance with Rules as applicable by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, The Company has to prepare its annual accounts and other financial statements as per Indian Accounting Standards with effect from 01<sup>st</sup> April, 2019.

Therefore, The Company start preparing its accounts and other financial statements in accordance with the relevant accounting principles and complies with the relevant Indian accounting standards

**COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The Company has made compliances in accordance with the Secretarial Standards as issued by the Institute of Company Secretaries of India.

Company has conducted all of its meetings of Board and relevant committee meetings and drafted its minutes in accordance with the SS-1 and SS-2 standards issued by the Institute of Company Secretaries of India.

**INTERNAL AUDITOR AND REPORT**

The Board of Directors of your Company appointed Pawan Sachdeva & Company, Practicing Chartered Accountants firm as Internal Auditor of the Company for the financial year 2019-2020.

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The Internal Auditor conducts the internal audit as per internal audit standards and places before the board the internal audit report from time to time.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Your Company does not come within the ambit of criteria provided under Section 135 of the Companies Act, 2013.

Therefore, the Company has not undertaken activities under Corporate Social Responsibility.

#### **STOCK EXCHANGE LISTING & COMPLIANCES**

The Equity Shares of your Company are continued to be listed on Bombay Stock Exchange Limited, Mumbai. The Company confirms that the Annual Listing fee to Bombay Stock Exchange Limited has been paid and is up to date.

#### **PARTICULARS OF EMPLOYEES**

During the Financial Year, None of the Company's employees was in receipt of remuneration as prescribed under Section 197 (14) of the Companies Act, 2013 read with rules made thereunder and hence no particulars are required to be disclosed in this Report.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

As per provisions of Section 134 (3) (c) & 134 (5) of the Companies Act, 2013, Your Directors confirms as under:-

- a) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 31.03.2020 and of the profit and loss of the Company for the period ended 31.03.2020;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the annual accounts on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial control are adequate and were operating effectively.
- f) that 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.

#### **BOARD MEETINGS DURING THE YEAR**

The Board of Directors met 6 (Six) times in the Financial Year 2019-2020 i.e. 30<sup>th</sup> May, 2019; 26<sup>th</sup> July, 2019; 14<sup>th</sup> August, 2019; 14<sup>th</sup> November, 2019; 31<sup>st</sup> January, 2020 and 14<sup>th</sup> February, 2020. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

#### **PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS**

The Board is committed to bring transparency in determining its performance, committees and in assessing the performance of members.

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During the year the Board with the assistance of Nomination and Remuneration Committee has completed the Evaluation exercise, which includes the evaluation of Board as whole, committees and Directors, as per the internally designed evaluation process approved by the Board.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year ended 31st March, 2020 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Indian Accounting Standards Related Party Disclosures is given in Note no 29 to the Balance Sheet as on 31<sup>st</sup> March, 2020.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Management Discussion & Analysis Report is attached to Annual Report.

#### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as Annexure to the Board's Report.

#### **CORPORATE GOVERNANCE**

Your Company is committed to maintain the high standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance Practices and have implemented all the stipulations prescribed.

A separate report on Corporate Governance is given in the Annual Report are annexed hereto as part of Annual Report along with Auditors' Certificate on its due compliance.

Corporate Governance report is attached to Annual Report.

#### **INTERNAL FINANCIAL CONTROL**

The Board has adopted the policies and procedures 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 the timely preparation of reliable financial disclosures.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

#### **IMPACT OF COVID-19 PANDEMIC**

COVID -19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the overall economic activities. On March 24, 2020, the Government of India announced a strict 21 days lockdown which has been further extended across the country to contain the spread of virus. Covid-19 presented us an operational challenge and required recalibrating the management methodology for

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sales, collections, operations, and customers / policyholders servicing etc. The Company believes that it has taken into account all the possible impact of known events arising out of COVID-19 pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company continues to monitor for any material changes to future economic conditions.

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

- a. **Conservation of Energy & Technology Absorption** : Since the Company is engaged in NBFC activities, information relating to conservation of energy and technology absorption are not applicable under Section 134 (3) (m) of the Companies Act, 2013 read with rules made thereunder.
- b. **Foreign Exchange Earnings and Outgo**: There was no Foreign Exchange earnings and outgo during the year under review.

**APPRECIATION & ACKNOWLEDGEMENT**

Your Directors appreciate the valuable co-operation extended by the Company's Bankers, Monitoring Agencies, Regulators (SEBI and RBI), other Central and State Government departments and Clients for their continued support. Your Directors also express its deep gratitude for wholehearted and continuous support extended by the members who have always been a source of strength of the Company.

**For and on Behalf of the Board**

Place: New Delhi  
Date: 25<sup>th</sup> August, 2020

Sd/-  
**Shahzeb Khan**  
Managing Director  
DIN 05102379

Sd/-  
**Kamlesh**  
Director  
DIN 07529414

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
as on financial year ended on 31.03.2020  
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:**

i	CIN	L70109DL1986PLC025841
ii	Registration Date	23-10-1986
iii	Name of the Company	MORGAN VENTURES LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/INDIAN NON GOVT. COMPANY
v	Address of the Registered office & contact details	37, RING ROAD, LAJPAT NAGAR - IV, NEW DELHI 110024
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES PVT. LTD. D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI

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

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Non Banking Financial Company engaged in Investment Activities 6430		100

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

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	NIL				

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)										
	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>Promoters</b>									
<b>1)</b>	<b>Indian</b>									
a	Individuals/ HUF	-	-	-	-	-	-	-	-	0.00
b	Central Govt.	-	-	-	-	-	-	-	-	0.00
c	State Govt.(s)	-	-	-	-	-	-	-	-	0.00
d	Bodies Corporate	74,04,700	-	74,04,700	74.80	74,04,700	-	74,04,700	74.80	0.00
e	Banks/ FI	-	-	-	-	-	-	-	-	0.00
f	Any other (specify)	-	-	-	-	-	-	-	-	0.00
i.	Trusts	-	-	-	-	-	-	-	-	0.00
	<b>Sub-Total (A) (1)</b>	<b>74,04,700</b>	<b>-</b>	<b>74,04,700</b>	<b>74.80</b>	<b>74,04,700</b>	<b>-</b>	<b>74,04,700</b>	<b>74.80</b>	<b>0.00</b>
<b>2)</b>	<b>Foreign</b>									0.00
a	NRI Individuals	-	-	-	-	-	-	-	-	0.00
b	Other Individuals	-	-	-	-	-	-	-	-	0.00
c	Bodies Corporate	-	-	-	-	-	-	-	-	0.00
d	Banks/ FI	-	-	-	-	-	-	-	-	0.00
e	Any other (specify)	-	-	-	-	-	-	-	-	0.00
	<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>74,04,700</b>	<b>-</b>	<b>74,04,700</b>	<b>74.80</b>	<b>74,04,700</b>	<b>-</b>	<b>74,04,700</b>	<b>74.80</b>	<b>0.00</b>
<b>B</b>	<b>Public Shareholding</b>									
<b>1)</b>	<b>Institutions</b>									
a	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	0.00
b	Banks/ FI	-	-	-	-	-	-	-	-	0.00
c	Central Govt.	-	-	-	-	-	-	-	-	0.00
d	State Govt.(s)	-	-	-	-	-	-	-	-	0.00
e	Venture Capital Funds	-	-	-	-	-	-	-	-	0.00
f	Insurance Companies	-	-	-	-	-	-	-	-	0.00
g	FIs	-	-	-	-	-	-	-	-	0.00
h	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0.00
i	Others (specify)	-	-	-	-	-	-	-	-	0.00
	<b>Sub-Total (B) (1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>
<b>2)</b>	<b>Non-Institutions</b>									
a	Bodies Corporates									
	i. Indian	184809	567700	752509	7.60	76526	567700	644226	6.51	-1.09
	ii. Overseas	-	-	-	-	-	-	-	-	0.00
b	Individuals									
	i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	518613	504428	1023041	10.34	532675	500128	1032803	10.43	0.09
	ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	621725	18900	640625	6.47	720146	18900	739046	7.47	1.00
c	Others (specify)	-	-	-	-	-	-	-	-	0.00
	i.Non-Resident Indian	20496	17800	38296	0.39	20696	17800	38496	0.39	0.00
	ii. NBFC	100	-	100	0.00	-	-	-	0.00	0.00
	iii.Overseas corporate Bodies	-	-	-	-	-	-	-	-	0.00
	iv.ClearingMember/House	-	-	-	0.00	1	-	1	0.00	0.00
	v.Hindu Undivided Family	39429	-	39429	0.40	39428	-	39428	0.40	0.00
	vi.Trust	-	-	-	-	-	-	-	-	0.00
	vii.Foreign Bodies	-	-	-	-	-	-	-	-	0.00
	<b>Sub-Total (B) (2)</b>	<b>13,85,172</b>	<b>11,08,828</b>	<b>24,94,000</b>	<b>25.20</b>	<b>13,89,472</b>	<b>11,04,528</b>	<b>24,94,000</b>	<b>25.20</b>	<b>0.00</b>
	<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>13,85,172</b>	<b>11,08,828</b>	<b>24,94,000</b>	<b>25.20</b>	<b>13,89,472</b>	<b>11,04,528</b>	<b>24,94,000</b>	<b>25.20</b>	<b>0.00</b>
<b>C</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>									
		-	-	-	-	-	-	-	-	0.00
	<b>Grand Total (A+B+C)</b>	<b>87,89,872</b>	<b>11,08,828</b>	<b>98,98,700</b>	<b>100.00</b>	<b>87,94,172</b>	<b>11,04,528</b>	<b>98,98,700</b>	<b>100</b>	<b>0.00</b>

**MORGAN VENTURES LIMITED**  
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(ii) SHARE HOLDING OF PROMOTERS

SI 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	Poysha Oxygen Pvt. Ltd.	2036600	20.57	NIL	2036600	20.57	NIL	No Change
2	Gas Supply Company Pvt. Ltd.	1490000	15.05	NIL	1490000	15.05	NIL	No Change
3	Goyal Udyog (India) Pvt. Ltd.	1475000	14.9	NIL	1475000	14.9	NIL	No Change
4	Poysha Fincorp Pvt. Ltd.	1000000	10.1	NIL	1000000	10.1	NIL	No Change
5	Yield Securities & Credits Pvt. Ltd.	960000	9.7	NIL	960000	9.7	NIL	No Change
6	Virgin Securities & Credits Pvt. Ltd.	443100	4.48	NIL	443100	4.48	NIL	No Change
	<b>Total</b>	<b>7404700</b>	<b>74.8</b>	<b>NIL</b>	<b>7404700</b>	<b>74.8</b>	<b>NIL</b>	<b>No Change</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

SI No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	There is no Change in Promoters Holding during the year	No Change		No Change	

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

SI No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>CRB CAPITAL MARKETS LIMITED</b>				
	At the Beginning of the year	198500	2.01	198500	2.01
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	198500	2.01	198500	2.01
2	<b>CRB CORPORATION LIMITED</b>				
	At the Beginning of the year	182100	1.84	182100	1.84
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	182100	1.84	182100	1.84
3	<b>PRAVEEN ELECTRONICS PRIVATE LIMITED</b>				
	At the Beginning of the year	102900	1.04	102900	1.04
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	102900	1.04	102900	1.04
4	<b>SURESHBHAI POPATBHAI BHANDERI</b>				
	At the Beginning of the year	100047	1.140000	100047	1.140000
	Bought during the year (27/09/2019)	98421	Nil	98421	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	198468	2.000000	198468	2.000000



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5	<b>ANS PRIVATE LIMITED</b>				
	At the Beginning of the year	93611	0.950000	93611	0.950000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year (27/09/2019)	93611	0.950000	93611	0.950000
	At the end of the year	Nil	Nil	Nil	Nil
6	<b>SUBRAMANIAN P</b>				
	At the Beginning of the year	81250	0.820000	81250	0.820000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year (22/11/2019)	81250	0.820000	81250	0.820000
	At the end of the year	Nil	Nil	Nil	Nil
7	<b>RAJ KUMAR LOHIA</b>				
	At the Beginning of the year	53541	0.540000	53541	0.540000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	53541	0.540000	53541	0.540000
8	<b>DHEERAJ KUMAR LOHIA</b>				
	At the Beginning of the year	53850	0.540000	53850	0.540000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	53850	0.540000	53850	0.540000
9	<b>PALAK CHOUDHARY</b>				
	At the Beginning of the year	44684	0.450000	44684	0.450000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	44684	0.450000	44684	0.450000
10	<b>SANTOSH MUKIM</b>				
	At the Beginning of the year	43474	0.440000	43474	0.440000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	43474	0.440000	43474	0.440000
11	<b>SANGEETHA S</b>				
	At the Beginning of the year	Nil	Nil	Nil	Nil
	Bought during the year (22/11/2019)	81250	0.820000	81250	0.820000
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	81250	0.820000	81250	0.820000
12	<b>PRAVEEN ELECTRONICS PRIVATE LIMITED</b>				
	At the Beginning of the year	35543	0.360000	35543	0.360000
	Bought during the year	Nil	Nil	Nil	Nil
	Sold during the year	Nil	Nil	Nil	Nil
	At the end of the year	35543	0.360000	35543	0.360000

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>MR. DHARAM KUMAR (CFO)</b>				
	At the beginning of the year	2	Nominal	2	Nominal
	Date wise increase/decrease in Promoters Share holding during the year	0	0	0	0
	At the end of the year	2	Nominal	2	Nominal
2	<b>MR. Krishan Kumar Gupta (Independent Director)</b>				
	At the beginning of the year	100	Nominal	100	Nominal
	Date wise increase/decrease in Promoters Share holding during the year	0	0	0	0
	At the end of the year	100	Nominal	100	Nominal
3	<b>MR. Shahzeb Khan (Managing Director)</b>				
	At the beginning of the year	2	Nominal	2	Nominal
	Date wise increase/decrease in Promoters Share holding during the year	0	0	0	0
	At the end of the year	2	Nominal	2	Nominal

**MORGAN VENTURES LIMITED**  
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**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	350000000	-	-	350000000
Reduction	-	-	-	-
<b>Net Change</b>	350000000	-	-	350000000
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	350000000	-	-	350000000
ii) Interest due but not paid	8133196	-	-	8133196
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	358133196	-	-	358133196

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	<b>Ceiling as per the Act</b>	-	-

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	MR. M.K. DOOGAR	MR. K.K. GUPTA	
	(a) Fee for attending board committee meetings	27500	47500	75000
	(b) Commission	0	0	0
	(c) Others, please specify	0	0	0
	<b>Total (1)</b>	27500	47500	75000
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	<b>Total (2)</b>	0	0	0
	<b>Total (B)=(1+2)</b>	27500	47500	75000
	<b>Total Managerial Remuneration</b>	27500	47500	75000
	<b>Overall Ceiling as per the Act.</b>	N. A.	N. A.	

**MORGAN VENTURES LIMITED**  
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**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration  Gross Salary	Key Managerial Personnel					Total	
		CEO	Company Secretary			CFO		
			Shashank Mishra (From 01st April, 2019 till 23rd April, 2019)	Ajit Prasad Singh (From 30th May, 2019 till 31st July, 2019)	Naveen Bhatnagar (From 01st August, 2019 till 02nd January, 2020)	Anand Kumar Mishra (From 01st February, 2020 till 31st March, 2020)		Dharam Kumar
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	42270	213185	354516	150000	162436	922407
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0	0	0
2	Stock Option	0	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0	0
4	Commission as % of profit others, specify	0	0	0	0	0	0	0
5	Others, please specify	0	0	0	0	0	0	0
	<b>Total</b>	0	42270	213185	354516	150000	162436	922407

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A.				
Punishment	N.A.				
Compounding	N.A.				
<b>B. DIRECTORS</b>					
Penalty	N.A.				
Punishment	N.A.				
Compounding	N.A.				
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.				
Punishment	N.A.				
Compounding	N.A.				

**MORGAN VENTURES LIMITED**  
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**SECRETARIAL AUDIT REPORT**

**For the Financial Year Ended on 31<sup>st</sup> March 2020**

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

To  
The Members  
M/s MORGAN VENTURES LIMITED  
37, RING ROAD,  
LAJPAT NAGAR - IV,  
NEW DELHI - 110024 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Morgan Ventures Limited, (hereinafter called "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 Company's books, papers, 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, forms and return filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (e) 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;

(vi) OTHER APPLICABLE ACTS,

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes that took place in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act and Regulations.

**MORGAN VENTURES LIMITED**  
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2. The composition of Audit Committee and Nomination and remuneration Committee of Board of Directors comply with the provisions of Companies Act, 2013 and LODR.
3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
4. Based on the declaration received from the Company, we report that the all statutory registers are being maintained, minutes are being printed, circulated and are duly signed in accordance with the Provisions of the Act and are binded periodically.

**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.

For Anuj Gupta & Associates

Sd/-  
Anuj Gupta  
Practicing Company Secretary

M. NO. ACS 31025  
COP No. 13025

UDIN: A031025B000593565

Date: 19.08.2020  
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**ANNEXURE 1**

To  
The Members  
M/s MORGAN VENTURES LIMITED  
37, RING ROAD,  
LAJPAT NAGAR - IV,  
NEW DELHI - 110024 IN

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained Management representations about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The 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 Anuj Gupta & Associates

Sd/-  
Anuj Gupta  
Practicing Company Secretary

M. NO. ACS 31025  
COP No. 13025

UDIN: A031025B000593565

Date: 19.08.2020  
Place: New Delhi

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members,  
Morgan Ventures Limited  
37, Ring Road, Lajpat Nagar - IV,  
New Delhi - 110024

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Morgan Ventures Limited having CIN L70109DL1986PLC025841 and having its Registered Office at 37, Ring Road, Lajpat Nagar - IV, New Delhi- 110024 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors of the Company for the financial year ended on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Anuj Gupta and Associates**  
**Company Secretaries**

Sd/-  
**Anuj Gupta**  
Proprietor

**M. No. ACS31025**  
**CP No. 13025**  
**UDIN: A031025B000569970**

**Place: New Delhi**  
**Date: 11<sup>th</sup> August, 2020**

**MORGAN VENTURES LIMITED**  
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**AUDITOR'S CERTIFICATE ON NBFC COMPLIANCES**

To,  
The Board of Directors,  
**MORGAN VENTURES LIMITED**

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India in terms of Section 45 MA (1A) of the Reserve Bank of India Act, 1934, we report below on the matters specified in paragraph 3 of the said order:

1. The Company has been granted a Certificate of Registration by the Reserve Bank of India in terms of Section 45-IA of the Reserve Bank of India Act, 1934.
2. We have verified the minutes of the meeting of Board of Directors of the Company wherein resolution for non-acceptance of any public deposit has been passed.
3. As informed to us, the Company has furnished all the statements, information or particulars called by the Reserve Bank of India.
4. In our opinion and to the best of our information and according to the explanations, given to us, the Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification, and provisions for bad and doubtful debts as applicable to it.

**For R. Tayal & Associates**  
**Chartered Accountants**  
**FRN: 006969N**

**Place: New Delhi**  
**Date: 30<sup>th</sup> June, 2020**

**Sd/-**  
**Rakesh Kumar Tayal**  
**Partner**  
**M. No.: 085816**



# MORGAN VENTURES LIMITED

## L70109DL1986PLC025841

### REPORT ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) regulates Corporate Governance Practices of Companies listed on the stock exchanges. The Corporate Governance framework has been referred to in Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These Regulations specifies the standards that Indian Companies have to comply and the disclosures that they have to make with regards to Corporate Governance. Your Company has established systems and procedures to comply with the amended provisions of the Corporate Governance and is complying with the same in its letter and spirit.

The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations) on September 2, 2015 replacing the earlier listing agreement and is aimed to consolidate and streamline the provisions of earlier listing agreements for different segments of capital market.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of the Company on Corporate Governance envisages; inter-alia, attainment of the highest levels of accountability and equity in all its actions and enhancement of shareholder's value keeping in view the needs and interests of the stakeholders.

Your Company believes that the Corporate Governance Code will enhance the growth of benefits to all the stakeholders. Your Company has complied with the requirements of the Code of Corporate Governance as implemented by the regulatory authorities. The broad disclosures as required by the stock exchange and regulatory authorities are given below:

### BOARD OF DIRECTORS

The composition of Board of Directors of the Company for the Financial Year ended 2019-2020 is as follows:

Names of Directors	Designation	Category
Mr. S. C. Goyal*	Chairman and Managing Director	Promoter Executive Director
Mr. Shahzeb Khan**	Chairman and Managing Director	Promoter Executive Director
Mr. M. K. Doogar	Director	Independent and Non-Executive Director
Mr. K. K. Gupta	Director	Independent and Non-Executive Director
Mrs. Kamlesh	Director	Women Director and Non-Executive Director

\* Mr. S. C. Goyal, Chairman and Managing Director – Promoter Executive Director has retired from his office as Managing Director with effect from 29<sup>th</sup> July, 2019.

\*\* Mr. Shahzeb Khan is appointed as Chairman and Managing Director – Promoter Executive Director with effect from 14<sup>th</sup> August, 2019.

A. None of the Non-Executive Directors of the Company was paid any remuneration other than sitting fees for attending the Board/ Committee meetings.

#### B. Board Meetings

The Board shall meet at least once in every calendar quarter, with a maximum interval of one hundred and twenty days between any two consecutive meetings of the Board, such that at least four meetings are held in each calendar year. The meetings are generally held at the corporate office of the

**MORGAN VENTURES LIMITED**  
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Company. The notice and agenda for all meetings are delivered in advance to the Board members as a corporate practice.

**C. Board Committees**

Currently, the Board has three Committees viz. the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board, from time to time, decides the terms of reference of the Committees. The Committee Meetings are held at regular intervals.

**D. Number of board meetings, attendance of board meetings and previous annual general meeting**

The Attendance of Directors in the Board Meeting / AGM is given below:

Name of Directors	No. of Board Meeting entitled to attend	No. of Board Meeting attended	Attended Last AGM held on 28.09.2019	No. of Other Directorship (Including Private Limited Company)
Mr. S. C. Goyal*	2	2	No	18
Mr. Shahzeb Khan**	4	4	Yes	9
Mr. K. K. Gupta	6	6	Yes	2
Mr. M. K. Doogar	6	4	No	9
Mrs. Kamlesh	6	6	No	1

\* Mr. S. C. Goyal, Chairman and Managing Director – Promoter Executive Director has retired from his office as Managing Director with effect from 29<sup>th</sup> July, 2019.

\*\* Mr. Shahzeb Khan is appointed as Chairman and Managing Director – Promoter Executive Director with effect from 14<sup>th</sup> August, 2019.

During the financial year ended 31<sup>st</sup> March, 2020, Six Meeting of the Board of Directors are held during the year:

1. 30<sup>th</sup> May, 2019
2. 26<sup>th</sup> July, 2019
3. 14<sup>th</sup> August, 2019
4. 14<sup>th</sup> November, 2019
5. 31<sup>st</sup> January, 2020
6. 14<sup>th</sup> February, 2020

**BOARD COMMITTEE**

**I. AUDIT COMMITTEE**

The Company has Audit Committee comprising of three Directors majority of them are Independent Directors. The terms of reference stipulated by the Board of Audit Committee covers area mentioned under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors.

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The Audit Committee met four times during the year. The representative of the statutory auditors is invited to the Audit Committee meetings. The details of attendance of the Members at the meetings are as under:

During the financial year ended 31<sup>st</sup> March, 2020, Four Meeting of the Audit Committee Members are held during the year:

1. 30<sup>th</sup> May, 2019
2. 14<sup>th</sup> August, 2019
3. 14<sup>th</sup> November, 2019
4. 14<sup>th</sup> February, 2020

Sl. No.	Name of the member	Position	Category	Attendance at Audit Committee Meetings
1.	Mr. K. K. Gupta	Chairman	Non-Executive and Independent	4
2.	Mr. S. C. Goyal*	Member	Executive and Promoter	1
3.	Mr. Shahzeb Khan**	Member	Executive and Promoter	3
4.	Mr. M. K. Doogar	Member	Non-Executive and Independent	3
	***Mr. Anand Kumar Mishra (Member Secretary)			

\* Mr. S. C. Goyal, Chairman and Managing Director – Promoter Executive Director has retired from his office as Managing Director with effect from 29<sup>th</sup> July, 2019.

\*\* Mr. Shahzeb Khan is appointed as Chairman and Managing Director – Promoter Executive Director with effect from 14<sup>th</sup> August, 2019.

The Committee has been reconstituted with Mr. Shahzeb Khan in place of Mr. S.C. Goyal with effect from 14<sup>th</sup> August, 2019.

\*\*\*Mr. Anand Kumar Mishra, Company Secretary of the Company acts as secretary to the Audit Committee.

Mr. Shashank Mishra has resigned from his office as Company Secretary and Compliance officer with effect from 23<sup>rd</sup> April, 2019, Further, Mr. Ajit Prasad Singh was appointed as Company Secretary and act as secretary to the Audit Committee, However with effect from 31<sup>st</sup> July, 2019 he resigned from his office and Mr. Naveen Bhatnagar, was appointed as Company Secretary of the Company with effect from 1<sup>st</sup> August, 2019 and acted as secretary to the Audit Committee with effect from 1<sup>st</sup> August, 2019. However with effect from 2<sup>nd</sup> January, 2020 he resigned from his office.

Mr. Anand Kumar Mishra appointed as Company Secretary of the Company with effect from 1<sup>st</sup> February, 2020 and acting as secretary to the Audit Committee.

## II. STAKEHOLDERS RELATIONSHIP COMMITTEE

The board has delegated the powers of redressal of Investor's Grievances and complaints and share transfer to the stakeholders relationship committee consisting of the following members:

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During the financial year ended 31<sup>st</sup> March, 2020, Four Meeting of the Audit Committee Members are held during the year:

1. 30<sup>th</sup> May, 2019
2. 14<sup>th</sup> August, 2019
3. 14<sup>th</sup> November, 2019
4. 14<sup>th</sup> February, 2020

<b>Name of Member</b>	<b>Position</b>	<b>Attendance at Stakeholder Relationship Committee</b>
Mr. M. K. Doogar	Non-Executive-Independent-Chairman	3
Mr. S. C. Goyal*	Executive	1
Mr. Shahzeb Khan**	Executive	3
Mrs. Kamlesh	Non- Executive-Non Independent Director	4
***Mr. Anand Kumar Mishra (Member Secretary)		

\* Mr. S. C. Goyal, Chairman and Managing Director – Promoter Executive Director has retired from his office as Managing Director with effect from 29<sup>th</sup> July, 2019.

\*\* Mr. Shahzeb Khan is appointed as Chairman and Managing Director – Promoter Executive Director with effect from 14<sup>th</sup> August, 2019.

The Committee has been reconstituted with Mr. Shahzeb Khan in place of Mr. S.C. Goyal with effect from 14<sup>th</sup> August, 2019.

Further, Mrs. Kamlesh is added as Member to the Committee to meeting out the requirement of Regulation 20 (2(A)) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

\*\*\*Mr. Anand Kumar Mishra, Company Secretary of the Company acts as secretary to the Audit Committee.

Mr. Shashank Mishra has resigned from his office as Company Secretary and Compliance officer with effect from 23<sup>rd</sup> April, 2019, Further, Mr. Ajit Prasad Singh was appointed as Company Secretary and act as secretary to the Audit Committee, However with effect from 31<sup>st</sup> July, 2019 he resigned from his office and Mr. Naveen Bhatnagar, was appointed as Company Secretary of the Company with effect from 1<sup>st</sup> August, 2019 and acted as secretary to the Audit Committee with effect from 1<sup>st</sup> August, 2019. However with effect from 2<sup>nd</sup> January, 2020 he resigned from his office.

Mr. Anand Kumar Mishra appointed as Company Secretary of the Company with effect from 1<sup>st</sup> February, 2020 and acting as secretary to the Audit Committee

### **III. NOMINATION AND REMUNERATION COMMITTEE**

The Company has Nomination and Remuneration Committee comprising of three Directors majority of them are Independent Directors. The terms of reference stipulated by the Board of the Nomination and Remuneration Committee covers area mentioned under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors.

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The Nomination and Remuneration Committee met Five times during the year. The details of attendance of the Members at the meetings are as under:

During the financial year ended 31<sup>st</sup> March, 2020, Five Meeting of the Nomination and Remuneration Committee Members are held during the year:

1. 30<sup>th</sup> May, 2019
2. 26<sup>th</sup> July, 2019
3. 14<sup>th</sup> August, 2019
4. 14<sup>th</sup> November, 2019
5. 31<sup>st</sup> January, 2020

Sl. No.	Name of the member	Position	Category	Attendance at Nomination and Remuneration Committee
1.	Mr. K. K. Gupta	Chairman	Non-Executive-Independent	5
2.	Mrs. Kamlesh	Member	Non-Executive-Non-Independent	5
3.	Mr. M. K. Doogar	Member	Non-Executive-Independent	3
	***Mr. Anand Kumar Mishra (Member Secretary)			

\*\*\*Mr. Anand Kumar Mishra, Company Secretary of the Company acts as secretary to the Audit Committee.

Mr. Shashank Mishra has resigned from his office as Company Secretary and Compliance officer with effect from 23<sup>rd</sup> April, 2019, Further, Mr. Ajit Prasad Singh was appointed as Company Secretary and act as secretary to the Audit Committee, However with effect from 31<sup>st</sup> July, 2019 he resigned from his office and Mr. Naveen Bhatnagar, was appointed as Company Secretary of the Company with effect from 1<sup>st</sup> August, 2019 and acted as secretary to the Audit Committee with effect from 1<sup>st</sup> August, 2019. However with effect from 2<sup>nd</sup> January, 2020 he resigned from his office.

Mr. Anand Kumar Mishra appointed as Company Secretary of the Company with effect from 1<sup>st</sup> February, 2020 and acting as secretary to the Audit Committee.

#### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

As part of our corporate governance practices and as per Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the Whistle Blower Policy that covers our directors and employees. The Company provides free access to the Board of Directors for all the employees to print out/ report any variation/ or violation of laws, rules and regulations applicable to the Company.

#### **DISCLOSURES**

1. There was no materially significant related party transactions, which may have potential conflicts with the interest of your Company at large.
2. Your Company has complied with all the requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with stock exchange as well as regulations and guidelines of SEBI.
3. The Audit Committee is briefed with all related party transactions undertaken by the Company.

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4. The senior employees have made disclosures to the Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company at large.
5. No penalty was imposed by SEBI, Stock Exchange or any other statutory authority on any matter related to capital market non-compliance during the year.
6. All accounting standards, mandatorily required were followed in preparation of the financial statements and no deviation was made in compliance of the same.
7. The Company has formulated a code of conduct for prevention of Insider Trading in the shares of the Company in accordance with the SEBI (Prevention of Insider Trading) Regulations, 2015.
8. **Certificate**  
Pursuant to the provisions of the Schedule V of the Listing Regulations, the Company has obtained a Certificate from M/s. Anuj Gupta & Associates, Practicing Company Secretary confirming that none of the Directors of the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The copy of the same forms part of this Annual Report.

**INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to all information with the Company, inter-alia, the information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the listing agreement is regularly provided to the Board as part of the agenda.

**MEANS OF COMMUNICATION**

The Un-Audited Quarterly Financial Results were sent to the stock exchanges immediately after board approved them. The results of the Company are published in one English daily newspaper and one Regional local regional Hindi newspaper.

The results were posted on the website of the Company at [www.morganventures.in](http://www.morganventures.in)

**Auditors Certificate on Corporate Governance**

A certificate dated 30.06.2020 obtained from the statutory auditors is annexed with the annual report and forms part of this report on corporate governance.

**CEO/CFO CERTIFICATION**

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2019-20 was placed before the Board of Directors of the Company.

**REMUNERATION PAID TO DIRECTORS**

Particulars	Directors
Gross salary	Nil
Outstanding	
Remuneration Payable	

None of the non-executive directors of the Company was paid any remuneration other than sitting fee for attending the Board/ Committee meetings. No remuneration is paid to Mr. S.C. Goyal and Mr. Shahzeb Khan as Managing Director.

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**GENERAL SHAREHOLDERS INFORMATION**

**GENERAL MEETINGS (AGM's, EGM's & Class Meetings)**

Details of last three Annual General Meeting held, are given below:-

Financial Year	Date	Time	Venue	Details of special resolution(s) passed at the AGM if any
2018-2019	28.09.2019	10.00 A.M.	53, Friends Colony (East), New Delhi – 110065	1. To appoint Mr. Shahzeb Khan as Managing Director. 2. To re-appoint Mr. Krishan Kumar Gupta as Independent Director. 3. To re-appoint Mr. Mahendra Kumar Doogar as Independent Director.
2017-2018	29.09.2018	10.00 A.M.	53, Friends Colony (East), New Delhi – 110065	No
2016-2017	29.09.2017	10.00 A.M.	53, Friends Colony (East), New Delhi – 110065	No

- a) No Special Resolution passed in last year through postal ballot.  
b) No Special Resolution requiring postal ballot was proposed at this Annual General Meeting.

Date of forthcoming Annual General Meeting	: 30 <sup>th</sup> September, 2020
Venue of the Meeting	: 53, Friends Colony (East), New Delhi 110065
Financial Year	: 1 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March, 2020
Period under review	: 1 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March, 2020
Date of book closure	: 23 <sup>rd</sup> Sept, 2020 to 30 <sup>th</sup> Sept, 2020
Dividend payment date	: Not Applicable
Scrip Code	: 526237 (BSE)*

\*The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400023

**Stock Market Data** – Monthly High & Low values (in Rs.) at BSE of Company's shares are as follows:-

Month	BSE Share Price (in Rs.)		
	High	Low	No. of trades
April, 2019	10.50	10.00	8
May, 2019	No Trade	-	-
June, 2019	No Trade	-	-
July, 2019	10.00	10.00	1
August, 2019	No Trade	-	-
September, 2019	9.50	9.50	3
October, 2019	9.10	9.03	3
November, 2019	9.02	8.15	3
December, 2019	8.00	7.59	3
January, 2020	7.59	7.58	2
February, 2020	7.35	7.00	2
March, 2020	7.35	6.30	11

Source of Data : [www.bseindia.com](http://www.bseindia.com)

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**Distribution Schedule of Shareholding as on 31<sup>st</sup> March, 2020**  
**(On the basis of category)**

Category	No. of Shares held	% age to total shares
<b><u>Promoters/Associates:</u></b>		
Bodies Corporate	7404700	74.80
<b><u>Public Shareholding:</u></b>		
Mutual Funds	0	0
Bodies Corporate	634826	6.42
Non- Resident Indians	38496	0.44
Director's Relatives	0	0
Individuals	1781249	17.96
HUF	39428	0.38
Clearing Members	1	0
NBFC's Registered with RBI	0	0
<b>Total</b>	<b>9898700</b>	<b>100</b>

**DEMATERIALISATION OF SHARES AND SHARE TRANSFER SYSTEM:**

\*\*SEBI vide its gazette notification dated June, 2018 has mandated that transfer of securities would be carried out in dematerialized form only by making amendments under Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Time to Time information to various shareholders has been provided for Dematerialisation of Shares and on part of Share Transfer System. Further, regular disclosure is being made to exchange about dematerialisation in the form of Quarterly Report on Reconciliation of Share Capital Audit.

Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on Equity: The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Address for Registered Office and : 37, Ring Road, Lajpat Nagar – IV, New Delhi 110024  
Correspondence Phone No.: 011-26432601/02/03

Registrar & Share Transfer agent : M/s Skyline Financial Services (P) Ltd. D-153A,  
1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1,  
New Delhi 110020

**Compliance of Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations**

Sr. No.	Particulars	Regulation	Compliance Status	Compliance Observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>• Composition &amp; Meetings</li> <li>• Quorum of Board Meetings</li> <li>• Review of compliance reports &amp; compliance certificate</li> <li>• Plans for orderly succession for appointments</li> <li>• Code of Conduct</li> <li>• Fees / compensation to Non-Executive Directors</li> <li>• Minimum information to be placed before</li> </ul>



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				<p>theBoard</p> <ul style="list-style-type: none"> <li>• ComplianceCertificate</li> <li>• Risk assessment andmanagement</li> <li>• Performance evaluation of IndependentDirector</li> </ul> <p>Recommendation of the Board</p>
2.	Maximum number of Directorship	17A	Yes	Directorship in listedentities
3.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition &amp;Meetings</li> <li>• Quorum of theCommittee</li> <li>• Powers of theCommittee</li> </ul> <p>Role of the Committee and review of information by theCommittee</p>
4.	Nomination and Remuneratio n Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Quorum of theCommittee</li> <li>• Meetings of theCommittee</li> </ul> <p>Role of theCommittee</p>
5.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meetings of theCommittee</li> </ul> <p>Role of theCommittee</p>
6.	Risk Management Committee	21	NA	
7.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Review of Vigil Mechanism for Directors andemployees</li> </ul> <p>Direct access to Chairman of AuditCommittee</p>
8.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy of Materiality of Related Party Transactions and dealing with Related Party Transactions</li> <li>• Approval including omnibus approval of Audit Committee and theBoard</li> <li>• Review of Related PartyTransactions</li> <li>• No material Related PartyTransactions</li> </ul> <p>Disclosure of Related Party Transactions on consolidatedbasis</p>
9.	Subsidiaries of the Company	24	Y	No subsidiary
10.	Secretarial Compliance Report	24A	Yes	<ul style="list-style-type: none"> <li>• Secretarial Compliance Report</li> </ul>
11.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• No alternate director for IndependentDirectors</li> <li>• Maximum Directorship andtenure</li> <li>• Meetings of IndependentDirectors</li> <li>• Cessation and appointment of IndependentDirectors</li> <li>• Familiarisation of Independent Directors</li> <li>• Declaration by Independent Directors</li> </ul> <p>Directors &amp; Officer'sInsurance</p>

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12.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>• Memberships / Chairmanships in Committees</li> <li>• Affirmation on compliance of Code of Conduct by Directors and Senior Management</li> <li>• Disclosure of shareholding by Non-Executive Directors</li> <li>• Disclosures by Senior Management about potential conflicts of interest</li> </ul> <p>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter</p>
13.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> <li>• Compliance with discretionary requirements</li> </ul> <p>Filing of compliance report on Corporate Governance</p>
14.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>• Terms and conditions for appointment of Independent Directors</li> <li>• Composition of various Committees of the Board of Directors</li> <li>• Code of Conduct of Board of Directors and Senior Management</li> <li>• Details of establishment of Vigil Mechanism/ Whistle-blower policy</li> <li>• Criteria of making payment to Non-executive Director</li> <li>• Policy on dealing with Related Party Transactions</li> <li>• Policy for determining material subsidiaries</li> </ul> <p>Details of familiarisation programmes imparted to Independent Directors</p>

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**INDUSTRY OPERATIONS**

**(a) Treasury Operations & Fund Based Activities**

The Company in its treasury division is carrying activities relating to placement of funds with other Bodies Corporate by way of Inter Corporate Deposits/ Bill Discounting Facilities. During the year under review, Treasury operation of the Company remains non functional.

**(b) Investment Activities**

During the year under review, the Company made an investment in Non –convertible Debentures (NCD's).

**(c) Non Banking Financial Companies (NBFC) Activities**

Company is Non - Banking Financial Company

**INDUSTRY STRUCTURE – AN OUTLOOK**

Non – banking financial companies (NBFC's) form an integral part of the Indian financial system. The NBFC's sector is divided into equipment leasing / hire purchase finance, loan and investment. NBFC's always played an important role in promoting financial inclusion in India, these companies are deeply interconnected with entities in financial sector. They have been complementing and supplementing the banking sector in reaching out credit to the Un-banked segments of the society. The biggest contribution of NBFC's is their ability to cater to the needs of the MSME's which form the cradle of Entrepreneurship and innovation in India.

The Company would try to look for more opportunities in NBFC activities. The Government has also initiated compliance relief measures across various regulatory requirements. The RBI has initiated several measures like reduction in policy rates, monetary transmission, credit flows to the economy and providing relief on debt servicing

Looking at growth opportunities in the financial sector ,as new policy for providing liquidity to NBFC as per recent the Government Announcement .

**INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL CONTROL**

In any industry, the processes and internal control systems play a critical role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources.

Moreover, the Company continuously upgrades these systems in line with the best available practices. The Board has an Audit Committee with independent directors in majority to maintain the objectivity.

Proper and adequate internal control systems are in place to ensure that all the business dealings are performed on sound business ethics and all assets are protected against loss of unauthorized use or disposition and that the transactions are authorized, recorded and properly reported.

## **MORGAN VENTURES LIMITED**

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The internal control system is designed to ensure that financial and other records are reliable for all purposes.

#### **HUMAN RESOURCES**

The Company regards its human resource as a valuable assets. The Company has a team driven work process with completely flat organization system. This not only helps us nurture leaders but also gives us capable and assured colleagues at all levels.

#### **CORPORATE GOVERNANCE**

The Company follows principles of effective Corporate Governance. The endeavour of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability.

The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement.

#### **RISK AND CONCERNS**

The Company has adopted a conservative approach and manages investment / Loan decisions by processing the same through various layers of management and by stipulating clear cut prudential policies, limits and due diligence at all level of management with great emphasis on strict adherence to the same.

#### **INDIAN ECONOMIC ENVIRONMENT**

In 2019, India became a \$ 2.7 trillion economy, having added one trillion US dollars in the last five years. The Economic Survey of the government outlined the blueprint to achieve the vision of making Indian a USD 5 trillion economy by 2024-25.

RBI has taken number of measures to ensure sufficient liquidity in the system since the beginning of 2019-20. We note that it has slashed policy rate (Repo rate) from 6.25% in the beginning of year to 4.4% at the closing of fiscal and at now at 4% in ongoing fiscal so far. We also note this time transmission of rate cuts has happened in a large way and helped across all industries and borrowers.

According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The Indian Economy was not immune to the slowdown. Further, an unexpected COVID-19 outbreak engulfed India too and resulted in nationwide lockdown starting 25th March 2020 has dashed hope of any early recovery on economy, which will have wider ramification in current fiscal.

The government rationalised the corporate tax rate to 22 per cent from 30 per cent, subject to the condition that companies will not avail of any exemption/ incentive. Further, in order to boost fresh investment, new companies incorporated on or after October 1, 2019 and making fresh investment in manufacturing, the tax rate for them has been cut to 15 per cent from 25 per cent.

#### **THE COVID-19 PANDEMIC AND LOCKDOWN**

The Company took immediate steps to handle this force majeure situation arises due to lockdown, some of which have been:

**MORGAN VENTURES LIMITED**  
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- Keeping employee safety as the topmost priority, and so ensuring that all employees moved immediately to 'Work-from-Home' (WFH). All employees were advised to strictly follow lockdown guidelines of the Government;
- Activating the Company's business continuity plans.

The situation is still evolving and it is not possible to hazard a guess on how this pandemic will evolve. On its part, The Company will be focusing to increase borrowing power to expand our investment and loan portfolio's.

**Risks and Concerns**

The Company has exposures to specific risks that are particular to their respective businesses and the environments within which they operate, including market risk, competition risk, credit risk, liquidity and interest rate risk, human resource risk, operational risk, information security risks, regulatory risk and macro-economic risks health Safety and pandemic Risk. The level and degree of each risk varies depending upon the nature of activity undertaken by the company to minimise exposure of these risk.

**Opportunities**

- Opening of financial sector in India along with introduction of innovative products
- Opportunity to cross financial services

**Threats**

- Inflationary pressures, and reduction in household savings in financial products
- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Attraction and retention of human capital
- Low Accessibility of Availability of Funds

**DISCLAIMER**

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate", "believe", "estimate", "intend", "will" and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company's financial statements included and notes thereto.

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**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**(In terms of Regulation 34(3) and Schedule V(E) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)**

**To the Members of Morgan Ventures Limited**

We have examined the compliance of conditions of Corporate Governance by Morgan Ventures Limited for the year ended on March 31, 2020, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), as applicable during the relevant year.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in India, and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions

In our opinion and to the best of our information and according to the explanations given to us the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to :-

1. Board of Directors – Their Composition, Compensation, Membership of Directors in Committee, Board Meetings and Code of Conducts.
2. Audit Committee – Their Composition, Powers, Meetings, Roles, Review of Informations.
3. Nomination and Remuneration Committee – Their Composition, Powers, Meetings, Roles.
4. Stakeholders Relationship Committee - Their Composition, Powers, Meetings, Roles.
5. Disclosures :
  - a. Basis of Related Party Transactions
  - b. Accounting Treatment
  - c. Remuneration of Directors
  - d. Management Discussion and Analysis
  - e. Relationship between Directors inter-se
  - f. Related Party Transactions, etc

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Stakeholders Relationship Committee.

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

**For R. Tayal & Associates**  
**Chartered Accountants**  
**FRN: 006969N**

Sd/-  
**Rakesh Kumar Tayal**  
**Partner**  
**M. No.: 085816**

**Place: New Delhi**  
**Date: 30<sup>th</sup> June, 2020**

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**CEO AND CFO CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

- a. We certify to the Board that we have reviewed the Financial Statements and Cash Flow Statement for the year ended March 31, 2020 and that to the best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- d. We have indicated to the Auditors and Audit Committee
- i) Significant changes in internal control over financial reporting during the year, if any;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - iii) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: New Delhi**

**Date: 30<sup>th</sup> June, 2020**

**Sd/-**  
**Shahzeb Khan**  
**Managing Director**

**Sd/-**  
**Dharam Kumar**  
**Chief Financial Officer (CFO)**

**CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

I, Shahzeb Khan, Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the code of conduct of the Company for the Financial Year 2019-2020

**Place: New Delhi**

**Date: 30<sup>th</sup> June, 2020**

**Sd/-**  
**Shahzeb Khan**  
**Managing Director**

**MORGAN VENTURES LIMITED**  
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**Independent Auditors' Report**

**To**  
**The Members of**  
**M/s MORGAN VENTURES LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS Financial Statements of **M/s Morgan Ventures Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020; and losses 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 Act. 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Management Discussion and Analysis report, Board's Report including annexures to the Board's Report, Corporate Governance etc but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 Financial Statements**

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision 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



## **MORGAN VENTURES LIMITED**

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design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For R. Tayal & Associates  
Chartered Accountants  
FRN: 006969N

Sd/-  
CA Rakesh Kumar tayal  
Partner  
M. No. : 085816

Place: New Delhi  
Date: 30<sup>th</sup> June, 2020

UDIN: 20085816AAAABS8519

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**Annexure - A to the Independent Auditor's Report**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2020, we report that:

- (i) (a) The company has maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) As per the information and explanations given to us, the title deed of the immovable property held by the company are in the name of the company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed and they have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the clause (iii) (a) and (b) of paragraph 3 of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. Accordingly the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) The company is not required to maintain cost records as the activities are not specified by the Central Government for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us the company is mostly regular except some instances, in depositing undisputed statutory dues as applicable, to the appropriate authorities.
- (b) According to the information and explanation given to us, there were no disputed amounts payable in respect of statutory dues as applicable as at March 31, 2020.
- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) We have verified the books & records of the company & it is observed that company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the period.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company by its officers has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our According to the information and explanations give 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 to the Act.

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- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in financial statements as required by applicable standards.
- (xiv) According to the information and explanations given to us, 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 explanations given to us and based on our audit of the records of the Company, the company has not entered into any non cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and such registration has been obtained by the company.

For R. Tayal & Associates  
Chartered Accountants  
FRN : 006969N

Sd/-  
CA Rakesh Kumar tayal  
Partner  
M. No. : 085816

Place: New Delhi  
Date: 30<sup>th</sup> June, 2020

# MORGAN VENTURES LIMITED

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### **Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Morgan Ventures Limited of even date)

### **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 **M/s Morgan Ventures Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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") issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over

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financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the 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 R. Tayal & Associates  
Chartered Accountants  
FRN : 006969N

Sd/-  
CA Rakesh Kumar Tayal  
Partner  
M. No. : 085816

Place: New Delhi  
Date: 30<sup>th</sup> June, 2020

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**MORGAN VENTURES LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2020**  
**(Amount in Rupees thousands, unless otherwise stated)**

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	3	1,083.24	928.59	1,138.62
Receivables	4			
Trade receivables		-	-	-
Other receivables		11,297.67	11,247.67	9,783.05
Investments	5	5,13,378.01	1,769.34	33,379.85
Other financial assets	6	35.83	35.83	35.83
		<b>5,25,794.75</b>	<b>13,981.43</b>	<b>44,337.35</b>
<b>Non-financial Assets</b>				
Inventories	7	1,83,896.97	1,83,896.97	1,80,235.29
Current tax assets (Net)	8	-	246.38	237.67
Deferred tax Assets (Net)	9	3,732.73	4,264.39	-
Property, plant and equipment	10	3,077.47	3,139.43	3,201.39
Other non-financial assets	11	39,693.30	1,69,396.51	1,74,190.26
		<b>2,30,400.47</b>	<b>3,60,943.68</b>	<b>3,57,864.61</b>
<b>Total assets</b>		<b>7,56,195.22</b>	<b>3,74,925.11</b>	<b>4,02,201.96</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Payables	12			
(i) Trade payables				
Total outstanding dues of micro and small enterprises		-	-	-
Total outstanding dues of creditors other than micro and small enterprises		-	-	-
(ii) Other payables				
Total outstanding dues of micro and small enterprises		-	-	-
Total outstanding dues of creditors other than micro and small enterprises		364.17	213.71	265.59
Borrowings (Other than Debt Securities)	13	3,81,127.32	-	-
		<b>3,81,491.49</b>	<b>213.71</b>	<b>265.59</b>
<b>Non-financial liabilities</b>				
Deferred tax liabilities (net)	9	-	-	4,376.96
Other non-financial liabilities	14	1,012.53	16.60	14.86
		<b>1,012.53</b>	<b>16.60</b>	<b>4,391.82</b>
<b>Equity</b>				
Equity share capital	15	99,493.50	99,493.50	99,493.50
Other equity	16	2,74,197.70	2,75,201.30	2,98,051.05
		<b>3,73,691.20</b>	<b>3,74,694.80</b>	<b>3,97,544.55</b>
<b>Total liabilities and equity</b>		<b>7,56,195.22</b>	<b>3,74,925.11</b>	<b>4,02,201.96</b>

Significant accounting policies

Note 2

The accompanying Notes 1 to 38 form an integral part of these financial statements

In terms of our report of even date annexed

For and on behalf of the Board

**For R. Tayal & Associates**

Chartered Accountants

FRN No. 0006969N

**Rakesh Kumar Tayal**

Partner

Membership No: 085816

Sd/-

**S Khan**

Managing Director

DIN: 05102379

Sd/-

**K.K. Gupta**

Director

DIN: 00062385

Sd/-

**Dharam Kumar**

Chief Financial Officer

Sd/-

**Anand Kumar Mishra**

Company Secretary

Place : New Delhi

Dated : 30.06.2020

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020**  
**(Amount in Rupees thousands, unless otherwise stated)**

Particulars	Notes	31 March 2020	31 March 2019
<b>Revenue From Operations</b>	17		
Net gain on fair value change on financial instruments	17A	11,636.07	(31,610.50)
Operation and maintenance charges	17B	-	1,500.00
<b>Total revenue from operations</b>		11,636.07	(30,110.50)
Other Income	18	672.83	830.00
<b>Total Income</b>		<b>12,308.90</b>	<b>(29,280.50)</b>
<b>EXPENSES</b>			
Finance costs	19	10,043.28	3.05
Purchases of stock in trade	20	-	3,661.68
Changes in stock of finished goods, work-in-progress and stock-in-trade	21	-	(3,661.68)
Employee benefits expense	22	1,488.13	1,324.36
Depreciation and amortisation expense	23	61.96	61.96
Other expenses	24	1,198.51	779.13
<b>Total Expenses (II)</b>		<b>12,791.88</b>	<b>2,168.50</b>
<b>Profit/ (loss) before tax from continuing operations (I-II)</b>		<b>(482.98)</b>	<b>(31,449.00)</b>
<b>Tax expense:</b>	9		
Current Tax		-	42.10
Adjustment of tax relating to earlier periods		1.68	-
MAT Credit Entitlement utilised/ (Claimed)		(81.03)	-
Deferred Tax		599.97	(8,641.35)
<b>Profit/ (loss) for the year</b>		<b>(1,003.60)</b>	<b>(22,849.75)</b>
<b>Other Comprehensive Income</b>	25		
<b>Items that will not be reclassified to profit &amp; loss in subsequent periods</b>			
Re-measurement gains /(losses) on defined benefit plans		-	-
Income tax effect on such items		-	-
<b>Total other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>(1,003.60)</b>	<b>(22,849.75)</b>
Earnings per equity share (computed on the basis of profit for the year):			
(1) Basic	26	(0.10)	(2.31)
(2) Diluted	26	(0.10)	(2.31)

Significant accounting policies

Note 2

The accompanying Notes 1 to 38 form an integral part of these financial statements

In terms of our report of even date annexed

For and on behalf of the Board

**For R. Tayal & Associates**

Chartered Accountants

FRN No. 0006969N

**Rakesh Kumar Tayal**

Partner

Membership No: 085816

Sd/-

**S Khan**

Managing Director

DIN: 05102379

Sd/-

**K.K. Gupta**

Director

DIN: 00062385

Place : New Delhi

Dated: 30.06.2020

Sd/-

**Dharam Kumar**

Chief Financial Officer

Sd/-

**Anand Kumar Mishra**

Company Secretary



**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**  
**(Amount in Rupees thousands, unless otherwise stated)**

**A. Equity share capital** (refer note 15)

Equity shares of Rs. 10 each issued, subscribed and fully paid	No.	Amount
At 1 April 2018	98,98,700.00	98,987.00
Issue of share capital	-	-
At 31 March 2019	98,98,700.00	98,987.00
Issue of share capital	-	-
At 31 March 2020	98,98,700.00	98,987.00

**B. Other equity**

	Retained earnings	Items of OCI	Total equity (refer note 16)
		Re-measurement gains/ (losses) on defined benefit plans	
<b>As at 1 April 2018</b>	2,98,051.05	-	2,98,051.05
Net income / (loss) for the year	(22,849.75)	-	(22,849.75)
Other comprehensive income (Note 25)	-	-	-
<b>Total comprehensive income</b>	(22,849.75)	-	(22,849.75)
Final Dividend	-	-	-
Dividend distribution tax on final dividend	-	-	-
Interim dividend	-	-	-
Dividend distribution tax on interim dividend	-	-	-
<b>At 31 March 2019</b>	2,75,201.30	-	2,75,201.30
Net income / (loss) for the year	(1,003.60)	-	(1,003.60)
Other comprehensive income (Note 25)	-	-	-
<b>Total comprehensive income</b>	(1,003.60)	-	(1,003.60)
Final Dividend	-	-	-
Dividend distribution tax on final dividend	-	-	-
Interim dividend	-	-	-
Dividend distribution tax on interim dividend	-	-	-
At 31 March 2020	2,74,197.70	-	2,74,197.70

Significant accounting policies

Note 2

The accompanying Notes 1 to 38 form an integral part of these financial statements

In terms of our report of even date annexed

For and on behalf of the Board

**For R. Tayal & Associates**

Chartered Accountants

FRN No. 0006969N

**Sd/-**  
**Rakesh Kumar Tayal**  
Partner  
Membership No: 085816

**Sd/-**  
**Shahzeb Khan**  
Managing Director  
DIN: 05102379

**Sd/-**  
**K.K. Gupta**  
Director  
DIN: 00062385

Place : New Delhi  
Dated : 30.06.2020

**Sd/-**  
**Dharam Kumar**  
Chief Financial Officer

**Sd/-**  
**Anand Kumar Mishra**  
Company Secretary

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**  
**(Amount in Rupees thousands, unless otherwise stated)**

Particulars	Year ended	
	31 March 2020	31 March 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	(482.98)	(31,449.00)
<i>Adjusted for :</i>		
Depreciation and amortisation expense	61.96	61.96
Finance cost	10,043.28	3.05
Net (gain)/loss on financial instruments at fair value through profit or loss (FVTPL)	(1,636.26)	31,610.50
Profit on sale of investments	(9,999.81)	-
Interest income	- (1,530.83)	- 31,675.51
	<u>(2,013.81)</u>	<u>226.51</u>
Cash outflow towards finance cost	(10,043.28)	(3.05)
<b>Operating Profit before Working Capital Changes</b>	<u>(12,057.09)</u>	<u>223.46</u>
<i>Working capital adjustments:</i>		
Decrease/ (Increase) in inventories	-	(3,661.68)
Decrease/ (Increase) in trade and other receivables	(50.00)	(1,464.61)
Decrease/ (Increase) in other non-financial assets	1,29,703.22	4,793.75
Decrease/ (Increase) in other financial assets	-	-
(Decrease)/ Increase in trade and other payables	150.46	(51.88)
(Decrease)/ Increase in other non-financial liabilities	995.93	1.74
	<u>1,30,799.61</u>	<u>(382.68)</u>
Cash Generated from Operations	<u>1,18,742.52</u>	<u>(159.22)</u>
Direct Taxes Refunded/ (Paid)	257.41	(50.81)
<b>Net Cash from operating activities</b>	<b>1,18,999.93</b>	<b>(210.03)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investment designated at FVTPL	(10,10,482.12)	-
Proceeds from sale of investments designated at FVTPL	5,10,509.52	-
<b>Net Cash used in Investing Activities</b>	<u>(4,99,972.60)</u>	<u>-</u>

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings other than debt securities issued (net)	3,81,127.32	-
<b>Net Cash flow from in Financing Activities</b>	<b>3,81,127.32</b>	<b>-</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>154.65</b>	<b>(210.03)</b>
Cash and cash equivalents at the beginning of the year	928.59	1,138.62
<b>Cash and cash equivalents at the end of the year</b>	<b>1,083.24</b>	<b>928.59</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	243.19	277.55
Balance with banks:		
On current accounts	840.05	651.04
	<b>1,083.24</b>	<b>928.59</b>

Significant accounting policies

**Note 2**

The accompanying Notes 1 to 38 form an integral part of these financial statements

**Note:**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows'.

In terms of our report of even date annexed

For and on behalf of the Board

**For R. Tayal & Associates**

Chartered Accountants

FRN No. 0006969N

**Rakesh Kumar Tayal**

Partner

Membership No: 085816

Sd/-

**S Khan**

Managing Director

DIN: 05102379

Sd/-

**K.K. Gupta**

Director

DIN: 00062385

**Place : New Delhi**

**Dated: 30.06.2020**

Sd/-

**Dharam Kumar**

Chief Financial Officer

Sd/-

**Anand Kumar Mishra**

Company Secretary

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
(Amount in Rupees thousands, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>3. Cash and cash equivalents :</b>			
<b>Balances with banks</b>			
On current accounts	840.05	651.04	810.60
Deposits with maturity of less than 3 months	-	-	-
<b>Cash in hand</b>	243.19	277.55	328.02
	<b>1,083.24</b>	<b>928.59</b>	<b>1,138.62</b>

For the purpose of statement of cash flows, cash and cash equivalents comprises the following :

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Balance with banks :</b>			
On current accounts	840.05	651.04	810.60
Deposits with maturity of less than 3 months	-	-	-
<b>Cash in hand</b>	243.19	277.55	328.02
<b>Total</b>	<b>1,083.24</b>	<b>928.59</b>	<b>1,138.62</b>

**4. Receivables**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
(i) Trade Receivables			
Unsecured, considered good	-	-	-
(ii) Other Receivables			
Unsecured, considered good	11,297.67	11,247.67	9,783.05
<b>Total</b>	<b>11,297.67</b>	<b>11,247.67</b>	<b>9,783.05</b>

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 receivable or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Impairment allowance recognised on trade and other receivables is ₹ Nil (Previous year: ₹ Nil)

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**5. Investments**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>(a) Investment in Equity Instruments</b> (At fair value through profit or loss)			
<b>Quoted</b>			
Blue Coast Hotels & Resort Limited 2,87,561 (March 31, 2019 : 2,87,561, April 1, 2018 : 2,87,561) Equity shares of ₹10 each fully paid up	2,271.73	1,754.12	33,357.08
U-Flex Limited 67 (March 31, 2019 : 67, April 1, 2018 : 67) Equity shares of ₹10 each fully paid up	9.25	15.22	22.77
	<u>2,280.98</u>	<u>1,769.34</u>	<u>33,379.85</u>
<b>Unquoted</b>			
Bhagwati Gases Limited 3,300 (March 31, 2019 : 3,300, April 1, 2018 : 3,300) Equity shares of ₹10 each fully paid up	-	-	-
Lumax Automotive Systems Limited 100 (March 31, 2019 : 100, April 1, 2018 : 100) Equity shares of ₹10 each fully paid up	-	-	-
Fresenius Kabi Oncology Limited 100 (March 31, 2019 : 100, April 1, 2018 : 100) Equity shares of ₹10 each fully paid up	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>(b) Investment in Debt Instruments</b> (At fair value through profit or loss)			
<b>Quoted</b>			
Reddy Veeranna Investments Private Limited Series A NCD 504 (March 31, 2019 : Nil, April 1, 2018 : Nil) Non-convertible Debentures of ₹10,00,000 each face value	5,11,097.03	-	-
<b>Total</b>	<u><b>5,13,378.01</b></u>	<u><b>1,769.34</b></u>	<u><b>33,379.85</b></u>

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Out of above</b>			
In India	5,13,378.01	1,769.34	33,379.85
Outside India	-	-	-
	<u>5,13,378.01</u>	<u>1,769.34</u>	<u>33,379.85</u>

**6. Other financial assets**

(Unsecured, considered good)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>At amortised cost</b>			
Security Deposits	35.83	35.83	35.83
<b>Total</b>	<u><b>35.83</b></u>	<u><b>35.83</b></u>	<u><b>35.83</b></u>

Impairment loss allowance recognised on other financial assets is ₹ Nil (Previous year: ₹ Nil).

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**7. Inventories**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Plot of land	1,83,896.97	1,83,896.97	1,80,235.29
<b>Total</b>	<b>1,83,896.97</b>	<b>1,83,896.97</b>	<b>1,80,235.29</b>

**Note:**

For mode of valuation refer Accounting policy number 2.2.6

**8. Current Tax Assets (Net)**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Income tax paid (net of provision of 31 March 2020: Nil; 31 March 2019: ₹ 42.10 thousand; 1 April 2018: ₹ 20.81 thousand)	-	246.38	237.67
	<b>-</b>	<b>246.38</b>	<b>237.67</b>

**9. Income Taxes**

The major components of income tax expense for the year ended 31 March 2020 and 31 March 2019 are:

**A. Statement of profit and loss:**

**(i) Profit & loss section**

	00-Jan-00	00-Jan-00
Current income tax charge	-	-
Adjustment of tax relating to earlier periods	-	-
MAT Credit Entitlement utilised/ (Claimed)	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of Profit &amp; loss</b>	<b>-</b>	<b>-</b>

**(ii) OCI Section**

Deferred tax related to items recognised in OCI during the year:

	00-Jan-00	00-Jan-00
Net loss/(gain) on Remeasurements of defined benefit plans	-	-
<b>Income tax charged to OCI</b>	<b>-</b>	<b>-</b>

**B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for FY ended 31 March 2019 and 31 March 2020.**

	00-Jan-00	00-Jan-00
Accounting profit before tax from continuing operations	-	-
<b>Accounting profit before income tax</b>	<b>-</b>	<b>-</b>
At India's statutory income tax rate of 34.61% (31 March 2017: 34.61%)	-	-
Adjustment of tax relating to earlier periods	1.68	-
Effect of enacted change in tax rate on Deferred tax	(136.46)	(694.08)
Other adjustments	656.62	(7,823.40)
<b>At the effective income tax rate of 34.42% (31 March 2016: 34.11%)</b>	<b>521.84</b>	<b>(8,517.48)</b>
Income tax expense reported in the statement of profit and loss	-	-
Income tax attributable to a discontinued operation	-	-

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**

**(Amount in Rupees thousands, unless otherwise stated)**

**C. Deferred tax**

Deferred tax relates to the following:

	<u>Balance sheet</u>			<u>Statement of profit and loss/ OCI</u>	
	<u>As at</u> <u>31 March 2020</u>	<u>As at</u> <u>31 March 2019</u>	<u>As at</u> <u>1 April 2018</u>	<u>31 March 2020</u>	<u>31 March 2019</u>
Accelerated depreciation for tax purposes	(1,718.00)	(1,721.39)	(1,723.19)	(3.39)	(1.80)
Provision for expected credit loss	-	-	-	-	-
Fair valuation of investments in debt instruments	(283.05)	-	-	283.05	-
Fair valuation of investments in equity instruments	5,665.47	5,985.78	(2,653.77)	320.31	(8,639.55)
MAT credit entitlement	68.31	-	-	81.03	-
<b>Deferred tax expense/ (income)</b>	<b>3,732.73</b>	<b>4,264.39</b>	<b>(4,376.96)</b>	<b>681.00</b>	<b>(8,641.35)</b>
<b>Net deferred tax assets/ (liabilities)</b>					

Reflected in the balance sheet as follows:

	<u>31 March 2020</u>	<u>31 March 2019</u>
Deferred tax assets	5,665.47	5,985.78
Deferred tax liabilities	(2,001.05)	(1,721.39)
MAT credit entitlement	68.31	-
<b>Deferred tax liabilities, net</b>	<b>3,732.73</b>	<b>4,264.39</b>

Reconciliation of deferred tax liabilities (net):

	<u>31 March 2020</u>	<u>31 March 2019</u>
<b>Opening balance as of 1 April</b>	<b>8,641.35</b>	<b>-</b>
Tax (income)/expense during the period recognised in Profit & loss	599.97	(8,641.35)
MAT Credit entitlement	(68.31)	-
Tax (income)/expense during the period recognised in OCI	-	-
<b>Closing balance as at 31 March</b>	<b>8,109.69</b>	<b>8,641.35</b>

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**10. Property, plant and equipment**

	Land	Building	Furniture & fixtures	Capacitor Pannel	Total
<b>Cost</b>					
As at April 1, 2018 (refer note I below)	2,694.58	42.45	377.02	87.34	3,201.39
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>2,694.58</b>	<b>42.45</b>	<b>377.02</b>	<b>87.34</b>	<b>3,201.39</b>
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>2,694.58</b>	<b>42.45</b>	<b>377.02</b>	<b>87.34</b>	<b>3,201.39</b>
<b>Depreciation</b>					
Depreciation charge for the year 2018-19	-	2.55	51.65	7.76	61.96
Disposals	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>-</b>	<b>2.55</b>	<b>51.65</b>	<b>7.76</b>	<b>61.96</b>
Depreciation charge for the year 2019-20	-	2.55	51.65	7.76	61.96
Disposals	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>-</b>	<b>5.10</b>	<b>103.30</b>	<b>15.52</b>	<b>123.92</b>
<b>Net book value :</b>					
As at March 31, 2020	2,694.58	37.35	273.72	71.82	3,077.47
As at March 31, 2019	2,694.58	39.90	325.37	79.58	3,139.43
As at April 1, 2018	2,694.58	42.45	377.02	87.34	3,201.39

**Note I: Deemed cost of property, plant and equipment**

Particulars	Land	Building	Furniture & fixtures	Capacitor Pannel	Total
<b>Gross carrying amount as per previous GAAP</b>					
As at 1 April 2018	2,694.58	76.32	816.00	163.39	3,750.29
<b>Accumulated depreciation as per previous GAAP</b>					
As at 1 April 2018	-	33.87	438.98	76.05	548.90
<b>Net carrying amount (deemed cost) as at 1 April 2018</b>	<b>2,694.58</b>	<b>42.45</b>	<b>377.02</b>	<b>87.34</b>	<b>3,201.39</b>



**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**11. Other non-financial assets**

(Unsecured, considered good)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Capital advances	39,650.00	1,69,385.71	1,74,190.26
Balances with government authorities	43.30	10.80	-
	<b>39,693.30</b>	<b>1,69,396.51</b>	<b>1,74,190.26</b>

**12. Payables**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
(i) Trade payables			
- total outstanding dues of micro and small enterprises #	-	-	-
- total outstanding dues of creditors other than micro and small enterprises	-	-	-
	-	-	-
(ii) Other payables			
- total outstanding dues of micro and small enterprises #	-	-	-
- total outstanding dues of creditors other than micro and small enterprises	364.17	213.71	265.59
	<b>364.17</b>	<b>213.71</b>	<b>265.59</b>
<b>Total</b>	<b>364.17</b>	<b>213.71</b>	<b>265.59</b>

# Based on and to the extent of 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 31 March 2020	As at 31 March 2019	As at 1 April 2018
(I) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
Principal amount due to micro and small enterprises	-	-	-
Interest due on above	-	-	-
(II) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(III) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
(IV) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
(V) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**13. Borrowings (Other than Debt Securities)**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>At amortised cost:</b>			
<b>In India</b>			
Overdraft facility from NBFC, secured	3,58,133.20	-	-
Demand loan from related party, unsecured (refer note 29)	22,994.12	-	-
	<b>3,81,127.32</b>	<b>-</b>	<b>-</b>
<b>Outside India</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Terms of Borrowings:**

Type of loan	Loan outstanding			Rate of interest	Security Guarantee	Repayment terms
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018			
Overdraft facility from NBFC	3,58,133.20	-	-	IIFLW PLR (minus) 25 bps	Refer note I	Bullet repayment at the end of 12 months.
Demand loan from related party	22,994.12	-	-	Interest free	Unsecured	Repayable on demand

**Note I:**

Secured loan from NBFC is secured by the way of specific *ipari passu* charge on investments in NCDs of Reddy Veeranna Investments Private Limited (RVIPL)

**14. Other non-financial liabilities**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Advance from customers	-	-	-
Statutory dues payable	1,012.53	16.60	14.86
<b>Total</b>	<b>1,012.53</b>	<b>16.60</b>	<b>14.86</b>

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### 15. Equity share capital

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Authorised:</b>			
4,00,00,000 equity shares of Rs. 10 each (31 March 2019: 4,00,00,000, 1 April 2018: 4,00,00,000 equity shares of Rs. 10 each)	4,00,000.00	4,00,000.00	4,00,000.00
<b>Issued:</b>			
1,00,00,000 equity shares of Rs. 10 each (31 March 2019: 1,00,00,000, 1 April 2018: 1,00,00,000) equity shares of Rs. 10 each)	1,00,000.00	1,00,000.00	1,00,000.00
<b>Subscribed and fully paid up:</b>			
98,98,700 equity shares of Rs. 10 each (31 March 2019: 98,98,700, 1 April 2018: 98,98,700) equity shares of Rs. 10 each)	98,987.00	98,987.00	98,987.00
Add : 1,01,300 Forfeited Equity Shares (31 March 2019: 1,01,300, 1 April 2018: 1,01,300)	506.50	506.50	506.50
<b>Total</b>	<b>99,493.50</b>	<b>99,493.50</b>	<b>99,493.50</b>

### A. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	98,98,700.00	98,987.00	98,98,700.00	98,987.00	98,98,700.00	98,987.00
Issued during the year	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>98,98,700.00</b>	<b>98,987.00</b>	<b>98,98,700.00</b>	<b>98,987.00</b>	<b>98,98,700.00</b>	<b>98,987.00</b>
<b>Forfeited shares</b>						
Equity Shares - Amount originally paid up	1,01,300	506.50	1,01,300	506.50	1,01,300	506.50

### B. Terms/Rights attached to equity shares

The company has only one class of equity share having face value of Rs 10/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding.

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

### C. Following shareholders hold equity shares more than 5% of the total equity shares of the Company:

Name of Shareholder	As At 31 March 2020		As At 31 March 2019		As at 1 April 2018	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Poysha Oxygen Pvt. Ltd.	20,36,600	20.57%	20,36,600	20.57%	20,36,600	20.57%
Gas supply Co. Pvt. Ltd.	14,90,000	15.05%	14,90,000	15.05%	14,90,000	15.05%
Goyal Udyog (India) Pvt. Ltd.	14,75,000	14.90%	14,75,000	14.90%	14,75,000	14.90%
Poysha Fincorp Pvt. Ltd.	10,00,000	10.10%	10,00,000	10.10%	10,00,000	10.10%
Yield Securities & Credits Pvt. Ltd.	9,60,000	9.70%	9,60,000	9.70%	9,60,000	9.70%

### D. Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil

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**16. Other Equity**

	<b>Amount</b>
<b>a) Retained Earnings</b>	
<b>As at 1 April 2018</b>	2,98,051.05
Profit for the year 2018-19	(22,849.75)
Less: Final Dividend paid	-
Less: Distribution tax paid on final dividend	-
Less: Interim Dividend Paid	-
Less: Distribution tax paid on Interim dividend	-
<b>As At 31 March 2019</b>	<b>2,75,201.30</b>
Profit for the year 2019-20	(1,003.60)
Less: Final Dividend paid	-
Less: Distribution tax paid on final dividend	-
Less: Interim Dividend Paid	-
Less: Distribution tax paid on Interim dividend	-
<b>As At 31 March 2020</b>	<b>2,74,197.70</b>
<b>Total other equity</b>	
<b>As At 31 March 2020</b>	<b>2,74,197.70</b>
<b>As At 31 March 2019</b>	<b>2,75,201.30</b>
<b>As at 1 April 2018</b>	<b>2,98,051.05</b>

**Retained Earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial position of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety

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**17. Revenue From Operations**

**17A. Net gain on fair value change on financial instruments**

	For the year ended	
	31 March 2020	31 March 2019
<b>Net gain/(loss) on financial instruments measured at fair value through profit or loss</b>		
On trading portfolio:		
Unrealised gain/(loss) on equity instruments at FVTPL	511.63	(31,610.50)
Realised gain/(loss) on debt instruments at FVTPL	9,999.81	-
Unrealised gain/(loss) on debt instruments at FVTPL	1,124.63	-
<b>Total</b>	<b>11,636.07</b>	<b>(31,610.50)</b>

**17B. Operation and maintenance charges**

	For the year ended	
	31 March 2020	31 March 2019
Operation and maintenance charges	-	1,500.00
	<b>-</b>	<b>1,500.00</b>

**18. Other income**

	For the year ended	
	31 March 2020	31 March 2019
Contractual reimbursements	672.83	830.00
<b>Total</b>	<b>672.83</b>	<b>830.00</b>

**19. Finance Costs**

	For the year ended	
	31 March 2020	31 March 2019
Interest expense	10,041.03	-
Other borrowing costs	2.25	3.05
<b>Total</b>	<b>10,043.28</b>	<b>3.05</b>

**20. Purchases of stock in trade**

	For the year ended	
	31 March 2020	31 March 2019
Expenses incurred on inventory	-	3,661.68
	<b>-</b>	<b>3,661.68</b>

**21. Changes in inventories of finished goods, stock in trade and work-in-progress**

	For the year ended	
	31 March 2020	31 March 2019
<b><u>Inventories at the beginning of the year</u></b>		
Plot of land	1,83,896.97	1,80,235.29
<b>Total Inventories at the beginning of the year</b>	<b>1,83,896.97</b>	<b>1,80,235.29</b>
<b><u>Inventories at the end of the year</u></b>		
Plot of land	1,83,896.97	1,83,896.97
<b>Total Inventories at the end of the year</b>	<b>1,83,896.97</b>	<b>1,83,896.97</b>
<b>Total</b>	<b>-</b>	<b>(3,661.68)</b>

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**22. Employee benefits expense**

	<b>For the year ended</b>	
	<b>31 March 2020</b>	<b>31 March 2019</b>
Salaries and wages	1,488.13	1,324.36
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
<b>Total</b>	<b>1,488.13</b>	<b>1,324.36</b>

**23. Depreciation and amortisation expense**

	<b>For the year ended</b>	
	<b>31 March 2020</b>	<b>31 March 2019</b>
Depreciation of property, plant and equipment (refer note 10)	61.96	61.96
	<b>61.96</b>	<b>61.96</b>

**24. Other expenses**

	<b>For the year ended</b>	
	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Administrative and other expenses</b>		
Rates & Taxes	23.22	9.00
Communication expenses	4.00	5.98
Postage & telephone expenses	77.53	129.93
Printing & stationery	58.54	31.82
Traveling & Conveyance Expenses	-	-
Directors sitting fees	-	-
Legal & Professional Charges	155.30	62.56
Fees & subscription	468.42	473.05
Miscellaneous Expenses	342.60	-
Auditors' Remuneration :		
- As Audit Fees	20.00	23.60
- For Tax Audit, Certification & Tax Representations	-	-
- For Other Matters	-	-
<b>Selling &amp; Distribution Expenses</b>		
Advertisement, Publicity & Sales Promotion	48.90	43.19
	<b>1,198.51</b>	<b>779.13</b>

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**25. Components of other comprehensive income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

**During the year ended 31 March 2020**

	<b>Actuarial gains/ losses on defined benefit employee obligations</b>	<b>Total</b>
(i) Remeasurement gains (losses) on defined benefit plans	-	-
Income tax effect	-	-
	-	-

**During the year ended 31 March 2019**

	<b>Actuarial gains/ losses on defined benefit employee obligations</b>	<b>Total</b>
(i) Remeasurement gains (losses) on defined benefit plans	-	-
Income tax effect	-	-
	-	-

**26. Earnings Per Share (EPS)**

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Profit for the year as per Statement of Profit & Loss	(1,003.60)	(22,849.75)
<b>Profit attributable to equity holders of the Company for basic earnings</b>	<b>(1,003.60)</b>	<b>(22,849.75)</b>
	<b>No. in lakhs</b>	<b>No. in lakhs</b>
Weighted average number of equity shares in calculating basic EPS	98,98,700	98,98,700
Effect of dilution:	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>98,98,700.00</b>	<b>98,98,700.00</b>
<b>Earnings per equity share in Rs.</b>		
<b>Basic</b>	(0.10)	(2.31)
<b>Diluted</b>	(0.10)	(2.31)
<b>Face Value of each equity share (in Rs.)</b>	<b>10</b>	<b>10</b>

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**27. Commitments**

There are Nil (31 March 2019: Nil; 01 April 2018: Nil) capital and other commitments.

**28. Contingent Liabilities**

The H'ble Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The Company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal counsel and the response/direction from the authorities, including on representations made by an industry association in this regard.

**29. Related party disclosures**

**A. List of related parties**

**(a) Key Management Personnel (KMP) & their relatives**

Mr. S.C. Goyal, Managing Director (till 13th August 2019)  
Mrs. Meera Goyal, Spouse of Mr. S.C. Goyal  
Mr S Khan, Managing Director (w.e.f 14th August 2019)  
Mr. M.K. Doogar, Director  
Mr. K.K. Gupta, Director  
Mr. Dharam Kumar, CFO  
Mr. Shanhank Shekhar Mishra, Company Secretary (till 23rd April 2019)  
Mr. Ajit Kumar Singh, Company Secretary (w.e.f. 24th April 2019 till 31st July 2019)  
Mr. Naveen Bhatnagar, Company Secretary (w.e.f. 1st August 2019 till 2nd January 2020)  
Mr. Anand Kumar Mishra, Company Secretary (w.e.f. 3rd January 2020 till 31st March 2020)

**(b) Enterprise in which KMP exercises significant influence**

Goyal MG Gases Private Limited  
Poysha Power Generation  
Satlej Infotech Private Limited

**B. The following transactions were carried out with related parties in the ordinary course of business:-**

Related Party Transactions	Period	Enterprise in which KMP exercises significant influence
<b>Capital advance given</b>		
Goyal MG Gases Private Limited	31 March 2020	-
	31 March 2019	34,072.48
Satlej Infotech Pvt. Ltd.	31 March 2020	-
	31 March 2019	3.87
<b>Capital advance refunded</b>		
Goyal MG Gases Private Limited	31 March 2020	34,072.48
	31 March 2019	-
Poysha Power Generation	31 March 2020	43,297.06
	31 March 2019	43,626.50
Satlej Infotech Pvt. Ltd.	31 March 2020	67,216.17
	31 March 2019	-



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**Unsecured loan taken**

Goyal MG Gases Private Limited	31 March 2020	22,994.12
	31 March 2019	-

**29. Related party disclosures (Contd.)**

**C. Net Outstanding Balance :-**

Related Party	Period	Enterprise in which KMP exercises significant influence
<b>Capital advance given</b>		
Goyal MG Gases Private Limited	31 March 2020	-
	31 March 2019	34,072.48
	01 April 2018	-
Poyssha Power Generation	31 March 2020	-
	31 March 2019	43,297.06
	01 April 2018	86,923.56
Satlej Infotech Pvt. Ltd.	31 March 2020	-
	31 March 2019	67,216.17
	01 April 2018	67,212.30

**Unsecured loan taken**

Goyal MG Gases Private Limited	31 March 2020	22,994.12
	31 March 2019	-
	01 April 2018	-

**D. Details relating to remuneration of Key Managerial Personnel**

Name of KMP	31 March 2020		31 March 2019	
	Short-term employee benefits	Sitting fees	Short-term employee benefits	Sitting fees
Mr. M.K. Doogar	-	35.00	-	30.00
Mr. K.K. Gupta	-	47.50	-	30.00
Mr. Dharam Kumar	181.99	-	162.44	-
Mr. Shanhank Shekhar Mishra	42.27	-	634.30	-
Mr. Ajit Kumar Singh	213.19	-	-	-
Mr. Naveen Bhatnagar	354.51	-	-	-
Mr. Anand Kumar Mishra	150.00	-	-	-

**30. Events after reporting date**

There have been no events after the reporting date that require disclosure in the financial statements.

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**31. Segment information**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. Based on the consideration of dominant sources and nature of risk & returns, the company is in business of investment in securities, trading of capital equipment, fee based activities and fund based activities. Most of the activities are revolving around these businesses. The geographical location of its main operations is domestic.

Particulars	For the year ended	
	31 March 2020	31 March 2019
<b>Segment Revenue</b>		
Trading of capital Equipment	-	-
Fee Based Activities	672.83	2,330.00
Fund Based Activities	-	-
Investments	11,636.07	(31,610.50)
<b>Total Segment Revenue</b>	<b>12,308.90</b>	<b>(29,280.50)</b>
Less : Inter Segment Revenue	-	-
<b>Net Sales/Income from Operations</b>	<b>12,308.90</b>	<b>(29,280.50)</b>

**31. Segment information (Contd.)**

Particulars	For the year ended	
	31 March 2020	31 March 2019
<b>Segment Results</b>		
Trading of capital Equipment	-	-
Fee Based Activities	(71.24)	1,005.64
Fund Based Activities	(1,937.89)	(647.43)
Investments	11,636.08	(31,610.49)
<b>Total Segment Results</b>	<b>9,626.95</b>	<b>(31,252.28)</b>
Less : Interest Expense	10,041.03	-
Less : Unallocable Expenditure	68.90	196.72
<b>Total Profit Before Tax</b>	<b>(482.98)</b>	<b>-31,449.00</b>

Particulars	As at 31	As at 31 March	As at 1 April
	March 2020	2019	2018
<b>Capital Employed (Segment Assets less Segment Liabilities)</b>			
Trading of capital Equipment	49,650.07	1,80,449.68	1,83,728.69
Fee Based Activities	-	-	-
Fund Based Activities	1,61,986.09	1,84,825.56	1,81,373.91
Investments	1,55,244.81	1,769.34	33,379.84
<b>Total Capital Employed in Segments</b>	<b>3,66,880.97</b>	<b>3,67,044.58</b>	<b>3,98,482.44</b>
Add : Unallocable Corporate Assets	6,810.23	7,650.22	(937.89)
<b>Total Capital Employed in the Company</b>	<b>3,73,691.20</b>	<b>3,74,694.80</b>	<b>3,97,544.55</b>

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**32. Fair values measurements**

**(i) Financial instruments by category**

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>						
Cash and cash equivalents	-	1,083.24	-	928.59	-	1,138.62
Trade and other receivables	-	11,297.67	-	11,247.67	-	9,783.05
Investments	5,13,378	-	1,769.34	-	33,379.85	-
Other financial assets	-	35.83	-	35.83	-	35.83
<b>Total financial assets</b>	<b>5,13,378.01</b>	<b>12,416.74</b>	<b>1,769.34</b>	<b>12,212.09</b>	<b>33,379.85</b>	<b>10,957.50</b>
<b>Financial liabilities</b>						
Trade and other payables	-	364.17	-	213.71	-	265.59
Borrowings (Other than Debt Securities)	-	3,81,127.32	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>3,81,491.49</b>	<b>-</b>	<b>213.71</b>	<b>-</b>	<b>265.59</b>

**(ii) Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

**Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed At 31 March 2020:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>				
Investments	31-03-2020	5,13,378.01	5,13,378.01	-

There have been no transfers between Level 1 and Level 2 during the period.

**Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed At 31 March 2019:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>				
Investments	31-03-2019	1,769.34	1,769.34	-

There have been no transfers between Level 1 and Level 2 during the period.

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### 32 Fair values measurements (Contd.)

Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed at 1 April 2018:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Investments	01-04-2018	33,379.85	33,379.85	-	-

There have been no transfers between Level 1 and Level 2 during the period.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At 31 March 2020:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Security deposits paid	31-03-2018	35.83	-	-	35.83

There have been no transfers between Level 1 and Level 2 during the period.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At 31 March 2019:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Security deposits paid	31-03-2017	35.83	-	-	35.83

There have been no transfers between Level 1 and Level 2 during the period.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 1 April 2018:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
Security deposits paid	01-04-2016	35.83	-	-	35.83

There have been no transfers between Level 1 and Level 2 during the period.

#### Valuation technique used to determine fair value:

- (i) For cash and cash equivalents, trade receivables and other financial assets, borrowings, trade payables and other financial liabilities the management assessed that they approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of the company's investments in quoted equity and debt instruments has been determined by multiplying the number of shares/ debentures held at the year end to the closing market value on recognised stock exchange.
- (iii) The fair value of security deposits is determined using discounted cash flow analysis.

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**33. Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise borrowings, trade payables, and creditors for expenses. The Company's principal financial assets include investments, trade receivables, cash and short-term deposits that derive directly from its operations. The company also holds FVTPL investments in quoted equity and debt instruments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

**I. Market risk**

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

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as At 31 March 2020 and 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held At 31 March 2020 and 31 March 2019.

A. Interest rate risk

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

	Increase/ decrease in basis points	Effect on profit before tax
	Rs. Lakhs	
<b>31/03/2020</b>		
INR	+50	(1,790.67)
INR	-50	1,790.67
<b>31/03/2019</b>		
INR	+50	-
INR	-50	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B. Foreign currency sensitivity

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. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The company's exposure to foreign currency changes is not material.

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

**33. Financial risk management objectives and policies (Contd.)**

**II. Credit risk**

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

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade and other receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Company does not have any significant concentrations of bad debt risk other than disclosed in Note 4.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 32. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

**III. Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
<b>Year ended</b>					
<b>As at 31 March 2020</b>					
Borrowings	-	3,81,127.32	-	-	3,81,127.32
Trade payables	364.17	-	-	-	364.17
	<b>364.17</b>	<b>3,81,127.32</b>	<b>-</b>	<b>-</b>	<b>3,81,491.49</b>
<b>Year ended</b>					
<b>As at 31 March 2019</b>					
Borrowings	-	-	-	-	-
Trade payables	213.71	-	-	-	213.71
	<b>213.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213.71</b>
<b>As at 1 April 2018</b>					
Borrowings	-	-	-	-	-
Trade payables	265.59	-	-	-	265.59
	<b>265.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>265.59</b>

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**MORGAN VENTURES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**

(Amount in Rupees thousands, unless otherwise stated)

**33. Financial risk management objectives and policies (Contd.)**

**IV. Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The company is an Investment Company i.e. a financial institution carrying on as its principal business the acquisition of securities and the management have assessed risk concentration as medium for the year 2019-20 due to 68% concentration of its assets in investment in NCDs of Reddy Veeranna Investments Private Limited.

**34. Capital Management**

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31 March 2020.

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Borrowings	3,81,127.32	-	-
Trade and other payables	364.17	213.71	265.59
<b>Total Debts</b>	<b>3,81,491.49</b>	<b>213.71</b>	<b>265.59</b>
Less: Cash and cash equivalents	1,083.24	928.59	1,138.62
<b>Net debts</b>	<b>3,80,408.25</b>	<b>(714.88)</b>	<b>(873.03)</b>
<b>Total equity</b>	<b>3,73,691.20</b>	<b>3,74,694.80</b>	<b>3,97,544.55</b>
<b>Total debt and equity</b>	<b>7,54,099.45</b>	<b>3,73,979.92</b>	<b>3,96,671.52</b>
<b>Gearing ratio (%)</b>	<b>50.59%</b>	<b>0.06%</b>	<b>0.07%</b>

**35. Balance confirmation**

Debit and credit balance of trade payables and trade receivables to the extent not confirmed are subject to confirmation and reconciliation with parties.

**36.** In the opinion of the Board of Directors and to the best of their knowledge and belief, the aggregate value of current assets on realisation in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

# MORGAN VENTURES LIMITED

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**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
**(Amount in Rupees thousands, unless otherwise stated)**

### 37. First time adoption of Ind AS

These financial statements, for the year ended 31 March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2020, together with the comparative period data as at and for the year ended 31 March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019.

#### Exemptions applied:

##### 1. Mandatory exceptions;

###### a) Estimates

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS 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. The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP.

###### b) De-recognition of financial assets:

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

###### c) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

###### d) Impairment of financial assets:

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

##### 2. Optional exemptions:

###### a. Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its 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 after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

#### Reconciliations between previous GAAP and Ind AS

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

##### I Reconciliation of total equity as At 31 March 2019 and 1 April 2018

Particulars	Notes to first time adoption	31 March 2019	1 April 2018
<b>Total equity (shareholder's funds) as per previous GAAP</b>		<b>3,91,731.25</b>	<b>3,91,610.07</b>
<b>Adjustments:</b>			
Fair valuation of investment classified under FVTPL	Note – 1	(23,022.25)	8,588.25
Deferred tax impact on above adjustments		5,985.80	(2,653.77)
<b>Total adjustments</b>		<b>(17,036.45)</b>	<b>5,934.48</b>
<b>Total equity as per Ind AS</b>		<b>3,74,694.80</b>	<b>3,97,544.55</b>



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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
(Amount in Rupees thousands, unless otherwise stated)

**37. First time adoption of Ind AS (Contd.)**

**II Reconciliation of total comprehensive income for the year ended 31 March 2019**

Particulars	Notes to first time adoption	31 March 2019
<b>Profit after tax as per previous GAAP</b>		<b>121.18</b>
<b>Adjustments:</b>		
Fair valuation of investment classified under FVTPL	Note – 1	(31,610.50)
Deferred tax impact on above adjustments		8,639.57
Remeasurement of defined benefit obligations reclassified to Other comprehensive income (OCI)		-
<b>Total adjustments</b>		<b>(22,970.93)</b>
<b>Profit for the year ended 31 March 2019</b>		<b>(22,849.75)</b>
<b>Other comprehensive income (OCI)</b>		
Remeasurement of defined benefit obligations reclassified to Other comprehensive income (OCI)		-
Deferred tax impact on above adjustments		-
<b>Total comprehensive income for the year ended 31 March 2019</b>		<b>(22,849.75)</b>

**III Reconciliation of statement of cash flows for the year ended 31 March 2019**

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(210.03)	-	(210.03)
Net cash flow from investing activities		-	-
Net cash used in financing activities		-	-
Net increase/decrease in cash and cash equivalents	(210.03)	-	(210.03)
Cash and cash equivalents at the 1 April 2018	1,138.62	-	1,138.62
<b>Cash and cash equivalents at the 31 March 2019</b>	<b>928.59</b>	<b>-</b>	<b>928.59</b>

**Note – 1**

**Fair valuation of investment classified under FVTPL**

Under the previous GAAP, investments in equity and debt instruments were classified as long-term 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. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

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**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
(Amount in Rupees thousands, unless otherwise stated)

**38. Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March 2019**

Particulars	As at 31 March 2019			As at 1 April 2018		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	928.59	-	928.59	1,138.62	-	1,138.62
Receivables						
Trade receivables	-	-	-	-	-	-
Other receivables	-	11,247.67	11,247.67	-	9,783.05	9,783.05
Loans	1,80,968.48	(1,80,968.48)	-	1,84,267.62	(1,84,267.62)	-
Investments	24,791.59	(23,022.25)	1,769.34	24,791.59	8,588.26	33,379.85
Other financial assets	-	35.83	35.83	-	35.83	35.83
	<u>2,06,688.66</u>	<u>(1,92,707.23)</u>	<u>13,981.43</u>	<u>2,10,197.83</u>	<u>(1,65,860.48)</u>	<u>44,337.35</u>
<b>Non-financial Assets</b>						
Inventories	1,83,896.97	-	1,83,896.97	1,80,235.29	-	1,80,235.29
Current tax assets (net)	-	246.38	246.38	-	237.67	237.67
Deferred tax assets (net)	-	4,264.39	4,264.39	-	-	-
Property, plant and equipment	3,139.43	-	3,139.43	3,201.39	-	3,201.39
Other non-financial assets	-	1,69,396.51	1,69,396.51	-	1,74,190.26	1,74,190.26
	<u>1,87,036.40</u>	<u>1,73,907.28</u>	<u>3,60,943.68</u>	<u>1,83,436.68</u>	<u>1,74,427.93</u>	<u>3,57,864.61</u>
<b>TOTAL</b>	<u><b>3,93,725.06</b></u>	<u><b>(18,799.95)</b></u>	<u><b>3,74,925.11</b></u>	<u><b>3,93,634.51</b></u>	<u><b>8,567.45</b></u>	<u><b>4,02,201.96</b></u>
<b>LIABILITIES AND EQUITY</b>						
<b>Liabilities</b>						
<b>Financial liabilities</b>						
<b>Payables</b>						
<b>(i) Trade payables</b>						
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-
<b>(ii) Other payables</b>						
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	213.71	213.71	-	265.59	265.59
Borrowings (Other than Debt Securities)	-	-	-	-	-	-
	<u>-</u>	<u>213.71</u>	<u>213.71</u>	<u>-</u>	<u>265.59</u>	<u>265.59</u>

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**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
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**38. Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March 2019 (Contd.)**

**Non-financial liabilities**

Current tax liabilities (net)	-	-	-	-	-	-
Provisions	42.10	(42.10)	-	20.81	(20.81)	-
Deferred tax liabilities (net)	1,721.39	(1,721.39)	-	1,723.19	2,653.77	4,376.96
Other non-financial liabilities	230.32	(213.72)	16.60	280.44	(265.58)	14.86
	<b>1,993.81</b>	<b>(1,977.21)</b>	<b>16.60</b>	<b>2,024.44</b>	<b>2,367.38</b>	<b>4,391.82</b>

Particulars	As at 31 March 2019			As at 1 April 2018		
	GAAP	Adjustments	Ind AS	GAAP	Adjustments	Ind AS
<b>Equity</b>						
Equity share capital	98,987.00	506.50	99,493.50	98,987.00	506.50	99,493.50
Other equity	2,92,744.25	(17,542.95)	2,75,201.30	2,92,623.07	5,427.98	2,98,051.05
	<b>3,91,731.25</b>	<b>(17,036.45)</b>	<b>3,74,694.80</b>	<b>3,91,610.07</b>	<b>5,934.48</b>	<b>3,97,544.55</b>
<b>TOTAL</b>	<b>3,93,725.06</b>	<b>(18,799.95)</b>	<b>3,74,925.11</b>	<b>3,93,634.51</b>	<b>8,567.45</b>	<b>4,02,201.96</b>

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

Particulars	Previous GAAP	Adjustments	Ind AS
<b>Revenue from operations</b>			
Net gain on fair value change on financial instruments	-	(31,610.50)	(31,610.50)
Operation and maintenance charges	-	1,500.00	1,500.00
<b>Total revenue from operations</b>	-	<b>(30,110.50)</b>	<b>(30,110.50)</b>
Other Income	2,330.00	(1,500.00)	830.00
<b>Total Revenue</b>	<b>2,330.00</b>	<b>(31,610.50)</b>	<b>(29,280.50)</b>
<b>EXPENSES</b>			
Finance costs	3.05	-	3.05
Purchases of stock in trade	3,661.68	-	3,661.68
Changes in stock of finished goods, work-in-progress and stock-in-trade	(3,661.68)	0.00	(3,661.68)
Employee benefits expense	1,324.36	-	1,324.36
Depreciation and amortisation expense	61.96	-	61.96
Other expenses	779.13	-	779.13
<b>Total Expenses</b>	<b>2,168.50</b>	<b>0.00</b>	<b>2,168.50</b>
<b>Profit/(loss) before and tax</b>	<b>161.50</b>	<b>(31,610.50)</b>	<b>(31,449.00)</b>
<b>Tax Expense</b>			
Current tax	42.10	-	42.10
Deferred tax	(1.78)	(8,639.57)	(8,641.35)
<b>Total tax expense</b>	<b>40.32</b>	<b>(8,639.57)</b>	<b>(8,599.25)</b>
<b>Profit/(loss) after tax</b>	<b>121.18</b>	<b>(22,970.93)</b>	<b>(22,849.75)</b>

**MORGAN VENTURES LIMITED**  
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**MORGAN VENTURES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)**  
(Amount in Rupees thousands, unless otherwise stated)

**38 Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March 2019 (Contd.)**

**Other comprehensive income**

Items that will not be reclassified to profit & loss in subsequent periods:

Remeasurements of the defined benefit liabilities / (asset)	-	-	-
Income tax relating to items that will not be reclassified to profit & loss	-	-	-
<b>Total other comprehensive income for the year, net of tax</b>	-	-	-

<b>Total comprehensive income for the year, net of tax</b>	<b>121.18</b>	<b>(22,970.93)</b>	<b>(22,849.75)</b>
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**Re-classification**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

In terms of our report of even date annexed

For and on behalf of the Board

**For R. Tayal & Associates**

Chartered Accountants

FRN No. 0006969N

**Rakesh Kumar Tayal**  
Partner  
Membership No. 085816

Sd/-  
**S Khan**  
Managing Director  
DIN: 05102379

Sd/-  
**K.K. Gupta**  
Director  
DIN: 00062385

Place : New Delhi  
Dated: 30.06.2020

Sd/-  
**Dharam Kumar**  
Chief Financial Officer

Sd/-  
**Anand Kumar Mishra**  
Company Secretary

**MORGAN VENTURES LIMITED**  
**L70109DL1986PLC025841**

**MORGAN VENTURES LIMITED**  
**CIN : L70109DL1986PLC025841**  
**Regd. office: 53, Friends Colony (East), New Delhi – 110065**  
**Phone: 011-26432601/02/03**

**E-COMMUNICATION REGISTRATION FORM**

Dear Shareholders,

As you must be aware the majority of the provisions of the Companies Act, 2013 have been made effective from 01<sup>st</sup> April, 2014 therefore, pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules issued thereunder, Companies can serve Annual Report, Notice and other communication through electronic mode to those shareholders who have registered their E-Mail address with the Company or RTA or with the Depository.

It is a welcome move that would benefit the society at large, as this will reduce paper consumption to great extent, and allow shareholders to contribute towards a greener environment. This provides a golden opportunity to every shareholders of Morgan Ventures Limited to contribute towards the cause of 'Green Initiative' by giving their consent to receive various communications from the Company through electronic mode.

We therefore, invite all such shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company [www.morganventures.in](http://www.morganventures.in)

[Please note that as a member of the Company, you shall be entitled to receive all communication in physical form, upon request]

Best Regards,

Sd/-  
Shahzeb Khan  
Managing Director  
DIN: 05102379

**E-COMMUNICATION REGISTRATION FORM**

Folio No. / DP ID & Client ID: .....

Name of the 1<sup>st</sup> Registered Holder: .....

Name of Joint Holders: .....

Registered Address: .....

E-Mail ID (to be registered) :..... Mob / Tel. No. ....

I/ We shareholder (s) of Morgan Ventures Limited hereby agree to receive communications from the Company in electronic mode. Please register my above E-Mail ID in your records for sending communication in electronic form.

Date: 25<sup>th</sup> August, 2020

Place: New Delhi

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in email address.

**MORGAN VENTURES LIMITED**  
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**PROXY FORM**

Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014

<b>Name of Member (s)</b>	
<b>Registered Address</b>	
<b>E- Mail ID</b>	
<b>Member's Folio/ DP ID-Client ID No.</b>	

I/We being the member(s) of ..... shares of the above named Company, hereby appoint:

1. Name ..... Address .....  
..... E-mail ID ..... Signature .....  
or falling him/ her.
2. Name ..... Address .....  
..... E-mail ID ..... Signature .....  
or falling him/ her.
3. Name ..... Address .....  
..... E-mail ID ..... Signature .....  
or falling him/ her.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company, to be held on Wednesday, the 30<sup>th</sup> Day of September, 2020 at 10:00 A.M. at 53, Friends Colony (East), New Delhi 110065 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Sl. No.</b>	<b>Resolutions</b>
	<b>Ordinary Business</b>
1	Adoption of the Financial Statements for the year ended 31 <sup>st</sup> March, 2020 and reports of the Board of Directors and the Auditors thereon.
2	Re-appointment of Mrs. Kamlesh who retires by rotation

Signed this ..... day of ....., 2020.

**Affix  
Revenue  
Stamp**

Signature of Shareholder: ..... signature of proxy holder(s):.....

**Notes:** This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

**MORGAN VENTURES LIMITED**  
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**MORGAN VENTURES LIMITED**  
**(CIN: L70109DL1986PLC025841)**  
**Regd. Office: 37, Ring Road, Lajpat Nagar-IV, New Delhi-110024**

DPID No.		L.F. No.	
Client ID No.		No. of shares held	

**ATTENDANCE SLIP**

I/we hereby record my/our presence at the 33<sup>rd</sup> Annual General Meeting to be held on 30 September, 2020.

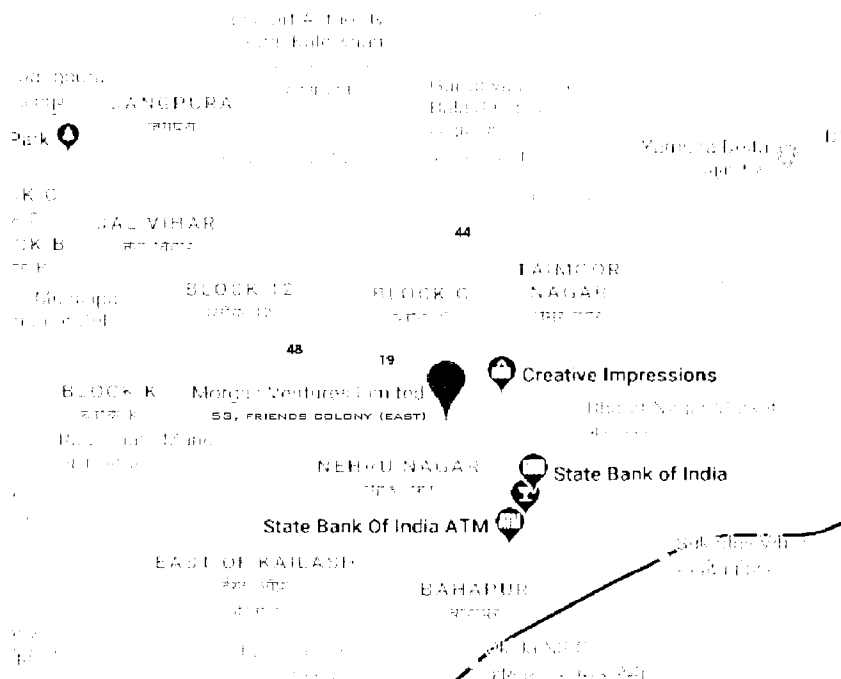
NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

**Notes:**

1. You are requested to sign and hand over this slip at the entrance of the Meeting venue.
2. This attendance is valid only in case shares are held on date of the meeting.

**AGM ROUTE MAP**

**Address of Annual General Meeting**







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