



HINCON HOLDINGS LTD

ANNUAL REPORT
2019-2020

HINCON HOLDINGS LIMITED

CIN : U67120MH1996PLC102787

BOARD OF DIRECTORS

Ajit Gulabchand, Chairman

Shalaka Gulabchand Dhawan, Vice Chairperson

Chandrabhas V. Zaveri

AUDITORS

Mehta & Pai, Chartered Accountants

BANKERS

ICICI Bank Limited

REGISTERED OFFICE

Hincon House, Lal Bahadur Shastri Marg,

Vikhroli (West),

Mumbai 400 083.

Tel.: 022 - 25751000

Fax No. 022-25777568

website: www.hinconholdings.com

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai 400 083.

Notice

NOTICE is hereby given that the 24th Annual General Meeting of Hincon Holdings Limited will be held on Tuesday, September 29, 2020 at 11:00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS

1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company

To receive, consider and adopt

- (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Consolidated Balance Sheet as at March 31, 2020 and the Consolidated Statement of Profit and Loss for the year ended on that date together with the Reports of the Auditors thereon.
2. Appointment of a Director, in place of Ms. Shalaka Gulabchand Dhawan (DIN: 00011094), Non Executive Director, who is retiring by rotation, in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers herself for reappointment.

For and on behalf of the Board of Directors

Ajit Gulabchand
Chairman

Place: Mumbai
Date: August 25, 2020

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083

NOTES:

1. **In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (the MCA) vide its Circular number 20/2020 dated May 05, 2020 read with Circulars number 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as 'the MCA Circulars'), has introduced certain measures enabling companies to convene their Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue and also send notice of the Annual General Meeting and other correspondences related thereto, through electronic mode. In compliance with the provisions of the Companies Act, 2013 ("Act") and the MCA Circulars, the Twenty-Fourth Annual General Meeting of the Company (the AGM) is being held through VC / OAVM. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (Refer serial no. 18) and available at the Company's website www.hinconholdings.com**

2. In view of the MCA Circulars, no proxy shall be appointed by the Members and accordingly the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Corporate Members (other than Individuals, HUF, NRI etc.) intending to authorize their representatives are requested to send duly certified copy of the Board Resolution alongwith attested specimen signature of the duly authorized signatory (ies) who are authorized to participate the AGM through VC and to vote through remote e-voting to the Scrutinizer by e-mail to evoting.hcc@gmail.com with a copy marked to evoting@nsdl.co.in.
3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 23,2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of the AGM of the Company.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 29,2020 Members seeking to inspect such documents can send an email to secretarial@hccindia.com.
7. In compliance with the provisions of Section 129(3) of the Act, the Audited Financial Statements of the Company includes the Consolidated Financial Statements of the Company as defined in the Act for consideration and adoption by the Members of the Company.
8. Members are hereby informed that Link Intime India Pvt Ltd is the Company's Registrars and Share Transfer Agents (' R&T agents') whose contact details are as below:

Link Intime India Pvt Ltd
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West) Mumbai 400 083
Phone: +91 22 49186270
Fax: +91 22 49186060
9. Further, Members are informed that as Company has participated in the National Securities Depository Limited's (NSDL) system for offering Company's Equity shares in dematerialized mode, interested Members can contact their respective Depository Participant (DP) and send the application through their respective DP to Company's R&T agents for dematerialization of the shares held in our Company. The Company's ISIN in NSDL is INE747Q01014.

10. Members are requested to:

- (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents as mentioned above in respect of their holdings in physical form.
- (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
- (c) as Non-Resident Indian Members are requested to inform Link Intime Pvt Ltd immediately of the change in residential status on return to India for permanent settlement.
- (d) Please note that in accordance with the provisions of Section 72 of the Act, members are entitled to make nominations in respect of the Equity Shares held by them. Members desirous of making nominations may procure the prescribed form SH-13 from the Registrar & Share Transfer Agents, Link Intime India Pvt Ltd and have it duly filled, signed and sent back to them, in respect of shares held in physical form. Members holding shares in dematerialised mode should file their nomination with their Depository Participant (DP).

11. Green Initiative:

Ministry of Corporate Affairs has encouraged paperless communication as a contribution to greener environment.

In terms of Sections 101 and 136 of the Act read together with the Rules made thereunder, In compliance with the aforesaid MCA Circulars the copy of the Annual Report for 2019-20 including Audited Financial Statements, Board's report etc. and this Notice of the AGM of the Company inter-alia indicating the process and manner of remote e-voting is being sent by electronic mode, to all those Members whose e-mail IDs are registered with their respective Depository Participants.

Members holding shares in physical mode are requested to register their e-mail ID's with Company's Registrar and Share Transfer Agents and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.

If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to their respective DPs in respect of shares held in electronic form.

Members may also note that the Notice of the AGM and the Annual Report for 2019-20 will also be available on the Company's website www.hinconholdings.com for their download.

12. Appointment/Re-appointment of Directors:

As per the provisions of Section 152 of the Act, Ms. Shalaka Gulabchand Dhawan, Director of the Company (DIN: 00011094), retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment as a Director of the Company.

13. IEPF Disclosures

The Company has transferred to the Investor Education and Protection Fund (IEPF) on the due date, the unclaimed dividend for the financial year ended March 31, 2011. Further pursuant to Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares corresponding to the Dividend for FY 2010-11 which had remained unclaimed for a period of seven consecutive years has also been transferred by the Company to IEPF.

14. Voting:

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date namely, Tuesday, September 22, 2020 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or voting by use of electronic voting. If a person was a Member as on the date of dispatch of the notice but has ceased to be a Member as on the cut-off date i.e. Tuesday, September 22, 2020, he / she shall not be entitled to vote. Such person should treat this Notice for information purpose only.

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 22, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details / Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

15. Voting through Electronic means (E-Voting)

In compliance with the provisions of Section 108, of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to provide remote e-voting facilities to its Members in respect of the business to be transacted at the AGM of the Company. The Company has engaged the services of NSDL as authorised agency to provide 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'). It is clarified that it is not mandatory for a Member to vote using remote e-voting facility.

The remote e-voting period will commence on Friday, September 25, 2020 (9:00 am) and will end on Monday, September 28, 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 September 22, 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.

The voting rights of Members shall be in proportion of the paid-up equity share capital of the Company as on the cut-off date i.e. September 22, 2020.

A person who is not a Member as on the cut-off date should treat this Notice of the AGM for information purpose only. The details of the process and manner for remote e-Voting are explained herein below

For Members whose e-mail addresses are registered with the Company /depositories

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsd.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.nsd.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.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. 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:
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*****.
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*****.

For Members holding shares in PhysicalForm.	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***
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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 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. a .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'.
 - 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. a .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, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.
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.nsd.com.
 - b) Physical user reset Password" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

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 company for which you wish to cast your vote.
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.

A. General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the Forgot user details/Password” or “Physical user reset Password” option available on www.evoting.nSDL.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nSDL.com or call on toll free no.: 1800-222- 990 or send a request at evoting@nSDL.co.in.

B. For Members whose e-mail addresses are not registered with Company/depositories

1. In case shares are held in physical mode, please provide folio no., name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (Self – attested scanned copy) by email to secretarial@hccindia.com
2. In case shares are held in demat mode, please provide DPID- CLID (16 digit DPID +CLID OR 16 digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy),

AADHAR (Self – attested scanned copy) by email to secretarial@hccindia.com

3. Alternatively Member may send an email request to evoting@nSDL.co.in for obtaining user ID and password by providing details mentioned in point (1) or (2) as the case may be.

18. The details of the process and manner for participating in the AGM through Video Conferencing are explained herein below:

- a) Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nSDL.com> by using their remote e-voting login credentials and selecting the EVEN for Company’s AGM.
- b) Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- c) Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- d) Members who need assistance before or during the AGM, can contact NSDL on evoting@nSDL.co.in/ or contact Ms. Pallvai Mhatre, Manager at 1800-222-990.
- e) Members can participate in AGM through smart phone/ laptop, however, for better experience and smooth participation it is advisable to join the Meeting through Laptops connected through broadband.
- f) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at secretarial@hccindia.com Sunday, September 27, 2020 (5.00 pm). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

19. The details of the process and manner for e-voting at the AGM are explained herein below:

- a) The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be present in the meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from

doing so, shall be eligible to vote through e-Voting system in the Annual General Meeting.

- c) Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.
- d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Annual General Meeting shall be the same person mentioned for Remote e-voting.

Mr. B. Narasimhan, Proprietor, B. N & Associates, Practicing Company Secretary (Membership No. FCS 1303 and Certificate of Practice No. 10440), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at AGM, in a fair and transparent manner, and they have communicated willingness to be appointed and shall be available for the same purpose.

The Members who have cast their votes by remote e-voting prior to the AGM may also attend and participate in the AGM but they shall not be entitled to cast their vote again at the AGM.

Members can opt for only one mode of voting i.e. either by remote e-voting or voting at the AGM by electronic voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and the votes cast at the AGM shall be treated as invalid.

The voting rights of Members shall be in proportion of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 22, 2020

Resolutions passed by Members through remote e-voting or through electronic voting at the AGM, are deemed to have been passed as if they have been passed at the AGM.

Members who are present in the meeting through video conferencing facility and have not casted their vote on the resolutions through remote e-voting, shall be allowed to be vote through e- voting system during the meeting.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.hinconholdings.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. September 29, 2020.

Additional information:

In case Members have any queries relating to e-voting, they are requested to refer the 'Frequently Asked Questions (FAQs) for Members' and 'Remote e-voting User Manual for Members' available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

Members may also send their queries relating to e-voting to Ms. Pallavi Mhatre, Assistant Manager, NSDL at : E-mail id: evoting@nsdl.co.in; Toll free No.: 1800-222-990; Tel. No. : 022 2499 4545

Members are requested to update their mobile numbers and e-mail IDs in the user profile details of the folio, which may be used by the Company for sending future communication(s) to them.

- 20. Members wishing to register for e-communication are requested to inform their respective Depository Participant, in respect of shares held in demat mode or to the Registrars and Share Transfer Agents (RTA) in case of shares held in physical mode, requesting to note the same. The Members registered for e-communication are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the members may also send requests to the Company's investor email id: secretarial@hccindia.com.

For and on behalf of Board of Directors

Ajit Gulabchand
Chairman

Place: Mumbai
Date: August 25, 2020

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083

Board's Report

To,
**The Members of
Hincon Holdings Limited**

1. Report

Your Directors have presented the 24th Annual Report together with the Audited Accounts for the financial year ended 31st March 2020.

2. Financial Highlights

Particulars	Year ended 31st March 2020 ` in lacs	Year ended 31st March 2019 ` in lacs
Profit before Tax	20.40	30.86
Less: Provision for Tax	2.67	8.12
Less: Deferred Tax Liability / (Asset)	0	0
Less: MAT Credit entitlement	0	0
Less: excess/(short) Provision of earlier years	-7.09	-8.99
Profit after Tax	24.82	31.73
Add: Balance brought forward from previous year	1350.33	1324.95
Amount available for Appropriations	0	0
Less : Appropriations	0	0
a) Proposed Dividend	0	0
b) Tax on proposed Dividend	0	0
c) General Reserve	0	0
d) Special Reserve under section 45(IC) of the RBI Act, 1934	4.96	6.35
Balance carried to Balance Sheet	1370.20	1350.33

3. Dividend

With a view to conserve the financial resources your Directors do not recommend any dividend on 9,26,610 equity shares of ` 10/- each for the financial year under review.

4. Operations

Total Income and profit before tax aggregated to Rs 276.18 lakhs and ` 20.40 lakhs, respectively as compared to income of ` 281.59 lacs and profit before tax of ` 30.86 lakhs during the previous year. Post tax, there is a Profit of ` 24.82 lakhs as compared to profit after tax of ` 31.73 lakhs during the previous year.

Operations of Associate Companies

(i) Hindustan Construction Company Ltd

Hindustan Construction Company Ltd.,(HCC) is a 94 year old business and among the leading engineering, construction and infrastructure development companies in India wherein your Company, in its capacity as Promoter Company, holds 14.28% of HCC's paid-up equity share capital.

For the construction industry in India, Financial Year (FY) 2019- 20 was a difficult one. The order inflow for the construction sector has been moderate, supported largely by government spending towards infrastructure. Concurrently, the sector was inundated with several adverse challenges including uncertainties related to regulatory and policy changes, legacy issues related

to prolonged litigations on arbitration awards in favour of contractors and practical problems relating to the implementation of the new indirect tax regime. Consequently, high financial leverage continues in many companies coupled with tighter liquidity conditions, causing financial stress and a lockup of lender capital, resulting in their continued risk aversion to the infrastructure sector. The resultant impact on growth, employment and supply chains, including numerous MSMEs, has been depressing.

In such an environment, HCC has focused on improving its liquidity position through the realisations of its legitimate dues and the monetisation of non-core assets to bolster its balance sheet. The Company also continues to drive organisational change aimed at delivering operational robustness, while relying on a leaner structure.

HCC has followed a rigorous process of working on collections where there have been deviations from project terms by clients and/or project delays due to issues on the client's side. For the majority of such cases, the Company's stand has been vindicated by arbitration panels and courts. With concerted efforts, even while focusing on selective orders that meet strict risk return equations, HCC has successfully increased the order book of the construction business to ` 16,857/- crore as of March 31, 2020.

For FY 2019-20, HCC registered a turnover of ` 3643.64 crore and net loss of ` (168.7) crore as compared to a

turnover of ` 4,603.49 crore and net loss of ` (1925.6) in the previous year. The profit before tax was ` (41) crore (including exceptional item) as compared to ` (2536.6) crore for the previous year.

(ii) Hincon Finance Ltd

Hincon Finance Limited is an Investment Company registered as a Non-Banking Finance Company (NBFC) wherein your Company holds 48.75% of its paid-up equity share capital. Your Company and Hincon Finance Ltd are fellow Promoter Companies of HCC.

The principal business of Hincon Finance Limited is to carry on the activities of an Investment Company and other related activities. Total Income and Profit before tax for FY2019- 20 aggregated to ` 1140.65 lakhs and ` 163.72 lakhs respectively as compared to ` 607.92 lakhs and ` 138.36 lakhs respectively, during the previous year. Profit after tax stood at ` 163.72 lakhs as compared to ` 11.38 lakhs for the previous year.

5. Share Capital

During the year under review, your Company's Authorised Share Capital has remain unchanged at ` 3,00,00,000 (Rupees Three Crore) comprising 20,00,000 equity Shares of ` 10/- each and 10,00,000 Unclassified Shares of ` 10/- each and the Company's paid up equity share capital has also remained unchanged at ` 92,66,100 (Rupees Ninety Two Lakhs Sixty Six Thousand one Hundred) comprising 9,26,610 equity Shares of ` 10/- each.

6. Transfer to Reserves

The Board proposes to carry the amounts as mentioned hereunder to the following Reserves:

Transfer to General Reserve – Nil

Transfer to Special Reserve under Section 45(IC) of the RBI Act, 1934 – ` 4.96 lacs

7. Details of Subsidiary and Joint Ventures

The Company has no subsidiaries and Joint Ventures.

The details of Associate Companies are as under :

1. Hindustan Construction Company Ltd
2. Hincon Finance Ltd

The details as required under Rule 8 of the Companies (Accounts) Rules, 2014 regarding the performance and financial position of the Associate Companies forms part of the Consolidated Financial Statements of the Company for the financial year ended March 31, 2020.

8. Fixed Deposits

Your Company has not accepted any deposit from the public under the erstwhile section 58A of the Companies Act, 1956 nor under Section 73 of the Companies Act, 2013 ('Act').

9. Consolidated Financial Statements

In accordance with the Companies Act, 2013, the Audited Consolidated Financial Statements are provided in this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of each of the associate company in the prescribed form AoC-1 is annexed to this annual report.

10. Statutory Auditors

M/s. Mehta & Pai, Chartered Accountants, Mumbai, bearing Firm Registration No.113591W, was appointed as Statutory Auditors of the Company for a term of 5 years i.e. from conclusion of 23rd Annual General Meeting held in the year 2019 till the conclusion of the 28th Annual General Meeting to be held in the year 2024. As required under Section 139 of the Act, the Company has obtained certificate from them to the effect that their continued appointment, would be in accordance with the conditions prescribed under the Act and the rules made thereunder, as may be applicable.

11. Statutory Auditors' Report

The Standalone Auditor's Report to the Members does not contains any qualifications or observations or any remarks.

12. Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed.

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The provisions of Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 requiring captioned information is not applicable to your Company. During the year under review, there was no income or expenditure in foreign currency.

14. Board of Directors

Ms. Shalaka Gulabchand Dhawan, Director of the Company (DIN 00011094) will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

The Company has received Form DIR-8 from all Directors pursuant to Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

15. Number of Board Meetings:

During the financial year, Board met 6 times on May 7, 2019, July 12, 2019, August 1, 2019, November 14, 2019 , January 30,2020 and March 9,2020 for review of business and operations. The maximum time gap between two consecutive meetings did not exceed one hundred and twenty days.

16. Stakeholders Relationship Committee

During the financial year, one meeting of Stakeholders Relationship Committee was held on May 7, 2019 for noting of matters relating to transfer of shares/dematerialization of shares and consideration of any other matters related to shares and shareholders.

17. Particulars of loans, guarantees or Investments under Section 186 of the Companies Act, 2013

In accordance with the provisions of Section 186 of the Act, there are no Loans, Guarantees and Investments made by the Company during the year under review except security provided by way recreation of Pledge on 21,60,23,600 equity Shares held in HCC (in respect of

which equity Shares pledge was already created in terms of S4A scheme for HCC), towards Working Capital facilities extended by Lenders to HCC for operations and Arbitration Bank Guarantees, as per particulars given in the Notes to the Standalone financial statements.

18. Particulars of contracts or arrangements with related parties

During the financial year, there is no contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act.

19. Risk management Framework

The Company has a robust internal business management framework to identify, evaluate business risks and opportunities which seeks to minimize adverse impact on the business objectives and enhance the Company's business prospects. The Company has an Internal Control System, commensurate with the size and scale of its operations.

20. Reporting of Frauds

There have been no instances of fraud reported by the Statutory Auditors under Section 143 of the Act read with relevant Rules framed thereunder either to the Company or to the Central Government.

21. Particulars of Employees and other additional information

Your Company has no employees requiring disclosure pursuant to Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. Material Changes and commitments in the financial Statements

There are no material changes which have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

23. Transfer of Unclaimed Dividend and Equity Shares to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ("the IEPF Rules"), During the under review, the Company has not transferred any amount of Unclaimed dividend and corresponding equity shares to IEPF account.

Members are further requested to note that no claims shall lie against the Company with respect to the unclaimed dividend and share(s) transferred to the IEPF pursuant the the IEPF Rules.

24. Secretarial Standards

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

25. Directors' Responsibility Statement

In accordance with the provisions of Section 134 of the Act, your Directors confirm that:

- a. in the preparation of the annual Accounts, the applicable accounting standards have been followed and there has been no material departure.
- b. Appropriate accounting policies have been selected and applied consistently and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date.
- c. proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. Internal Financial Controls.

The Management had reviewed the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company within the meaning of the explanation to Section 134(5) (e) of the Act, to ensure timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The Board is of the opinion that the Company has efficient controls in place and operating effectively.

27. Annual Return

The Annual Return of the Company is uploaded on the website of the Company at www.hinconholdings.com.

28. Acknowledgements

Your Directors wish to place on record their appreciation for the co-operation and assistance received from the bankers, members, clients and concerned authorities during the year under review.

For and on behalf of Board of Directors

Ajit Gulabchand
Chairman

Place: Mumbai
Date: August 25, 2020

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai-400 083

Form No. MGT-9

Extract of Annual Return

For the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN:	U67120MH1996PLC102787
2	Registration Date:	24th September, 1996
3	Name of the Company:	Hincon Holdings Limited
4	Category / Sub-Category of the Company:	Company having Share Capital
5	Address of the Registered office: Contact details:	Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083. Tel.: 022 - 25751000 Fax No. 022-25777568 email: secretarial@hccindia.com Website: www.hinconholdings.com
6	Whether listed Company	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Ltd C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Phone: +91 22 49186000 Fax: +91 22 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: Non Banking Finance Company (NBFC) which is principally engaged in lending and investing activities.

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Lending and Investing Activities	64,990 (n.e.c)	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Hindustan Construction Company Ltd	L45200MH1926PLC001228	Associate	14.28	2(6)
2	Hincon Finance Ltd	U67120MH1992PLC066854	Associate	48.75	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding:

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	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	885309	885309	95.54	-	885309	885309	95.54	0.00
b) Central Govt. / State Govt.	-	-	-	-	-	-	-	-	-
c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
d) Any other (Specify) Bodies Corporate	-	1100	1100	0.12	-	1100	1100	0.12	0.00
Sub-Total A(1)	-	886409	886409	95.66	-	886409	886409	95.66	0.00
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total A(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	-	886409	886409	95.66	-	886409	886409	95.66	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Fund / UTI	-	-	-	-	-	-	-	-	-
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
f) Financial Institutions / Banks	-	2364	2364	0.26	32	2332	2364	0.26	0.00
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	2364	2364	0.26	32	2332	2364	0.26	0.00
(2) Central Government/ State Government(s)/ President of India									
Central Government / State Government(s)	558	120	678	0.07	558	120	678	0.07	0.00
Sub-Total (B)(2):	558	120	678	0.07	558	120	678	0.07	0.00

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	
(3) Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh.	944	20785	21729	2.35	1376	20333	21709	2.34	-0.00
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	-	-	-	-	-	-	-	-	-
b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
c) employee Trusts	-	-	-	-	-	-	-	-	-
d) overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
e) Any other (Specify)	-	-	-	-	-	-	-	-	-
IEPF	12980	-	12980	1.4	12980	-	12980	1.40	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Foreign Companies	-	-	-	-	-	-	-	-	-
Non Resident Indians (Non Repat)	12	0	12	0.00	12	0	12	0.00	0.00
j) Non Resident Indians (Repat)	-	2042	2042	0.22	-	2062	2062	0.22	0.00
Bodies Corporate	20	376	396	0.04	20	376	396	0.04	0.00
Sub – Total (B)(3)	13956	23203	37159	4.01	14388	22771	37159	4.01	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	14514	25687	40201	4.34	14978	25223	40201	4.34	0.00
Total (A)+(B)	14514	912096	926610	100.00	14978	911632	926610	100.00	0.00
C. Non Promoter - Non Public	-	-	-	-	-	-	-	-	-
(1) Custodian/DR Holder	-	-	-	-	-	-	-	-	-
(2) Employee Benefit Trust (under SeBI (Share based employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Total (A)+(B)+(C)	14514	912096	926610	100.00	14978	911632	926610	100.00	0.00

ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
A. Individual, HUF & Trust							
1. Ajit Gulabchand	6,51,327	70.29	0.00	6,51,327	70.29	0.00	0.00
2. Gulabchand Memorial Trust	86,096	9.29	0.00	86,096	9.29	0.00	0.00
3. Ajit Gulabchand HUF	61,331	6.62	0.00	61,331	6.62	0.00	0.00
4. Gulabchand Hirachand HUF	52,713	5.69	0.00	52,713	5.69	0.00	0.00
5. Meera Gulabchand	22,478	2.42	0.00	22,478	2.42	0.00	0.00
6. Shalaka Gulabchand Dhawan	11,364	1.23	0.00	11,364	1.23	0.00	0.00
B. Bodies Corporate							
1. Shalaka Investment Pvt. Ltd	1,100	0.12	0.00	1,100	0.12	0.00	0.00
Total (A+B)	8,86,409	95.66	0.00	8,86,409	95.66	0.00	0.00

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

During the financial year 2019-20, there has been no change in Promoters' Shareholding.

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	886409	95.66	886409	95.66
Date wise Increase/(Decrease) in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
1. Purchase (+)				
2. Sale/Transfer (-)				
At the end of the year	886409	95.66	886409	95.66

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

Sr No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares	% of total shares of the Company
1	Suprovat Mitter	2000	0.22			2000	0.22
2	Bank of India	1284	0.14			1284	0.14
3	Vidisha A Patel	960	0.10			960	0.10
4	Central Bank of India	720	0.08			720	0.08
5	Custodian of enemy property FOR INDIA	450	0.05			450	0.05
6	Aroonkumar Lalchand Shah	332	0.04			332	0.04
7	Venkatesh Guracharya Raichur	302	0.03			302	0.03
8	Mrunalinidevi Puar	300	0.03			300	0.03
9	Shantaben Chhotabhai	240	0.03			240	0.03
10	Champaklal Pranlal Nanavati	220	0.023			220	0.02

v. Shareholding of Directors and key Managerial Personnel*

For Each of the Director	Name of Director			
	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Ajit Gulabchand				
At the beginning of the year	6,51,327	70.29	6,51,327	70.29
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	651327	70.29	651327	70.29
Shalaka Gulabchand Dhawan				
At the beginning of the year	11364	1.23	11364	1.23
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	11364	1.23	11364	1.23

* Section 203 of the Companies Act, 2013 regarding Appointment of Key Managerial Personnel is not applicable to the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness Crores
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

There is no Managing Director, Whole-time Director or Manager in the Company.

B. Remuneration to other Directors:

1. Independent Directors : Nil

Section 149(4) of the Companies Act, 2013 regarding appointment of Independent Directors is not applicable to the Company.

2. Non Executive Directors

Particulars of Remuneration	Name of the Directors			Total Amount (in `)
	Ajit Gulabchand	Shalaka Gulabchand Dhawan	Chandrabhas V. Zaveri	
Fee for attending Board/Committee Meetings	35000	30000	25000	90000
Commission	-	-	-	-
Other, please specify.....	-	-	-	-
Total	35000	30000	25000	90000
Total Managerial Remuneration				
Overall Ceiling as per the Act	As there is no managerial person in the Company, there is no managerial remuneration paid/payable and hence the overall ceiling for managerial remuneration is not applicable.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD – Nil

Section 203 of the Companies Act, 2013 regarding appointment of Key Managerial Personnel is not applicable to the Company.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Property/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishments			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishments			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishments			None		
Compounding					

Independent Auditor's Report

To the Members of

Hincon Holdings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Hincan Holdings Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including Indian Accounting Standards specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its Profit, its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 25 of the Standalone financial results as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation. Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for preparation of other information. Other information 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. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance), and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
 7. 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.
 8. 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
9. 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 Standards on Auditing 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.
 10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent Auditor's Report

- 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 financial 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.
11. 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.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

13. 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.

14. Further to our comments in Annexure B, as required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account.
- d) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
- e) 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'. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
- f) We report that the Company has not paid any remuneration to its directors during the year to which the provisions and limits laid down under section 197 read with Schedule V to the Act are applicable.
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2020;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.

For Mehta & Pai

Chartered Accountants
Firm's Registration No. 113591W

Suresh Mehta

PARTNER

Place: Mumbai

Date: August 25, 2020

Membership No. 032230

Annexure to the Independent Auditor's Report

ANNEXURE-A TO THE AUDITOR'S REPORT

(Referred to in paragraph 12 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone financial statements for the year ended on March 31, 2020 of **Hincon Holdings Limited**)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the matter relating to the vesting of legal rights in favor of the company is subjudice in the City Civil Court, Mumbai. We are unable, therefore to verify whether the said leasehold right in respect of leasehold land & building are in the name of the company. [Also refer note No 6(1) of Notes to Accounts].
- (ii) In absence of inventories, Clauses 3(ii) of the Order is not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, Sub-clauses (a), (b) and (c) of Clause 3(iii) of the Order are not applicable.
- (iv) In respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to this Company since it has not granted any loan or made any investment or provided any guarantees or security during the year.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, Provident Fund, Employee's State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax (GST), Cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2020 for a period of more than six months from the date on which they became payable.
- (b) According to the records of the Company, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty Value Added Tax, Goods and Service Tax (GST) and cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence Clause 3(viii) is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.
- (xi) In absence of any managerial personnel, no managerial remuneration is paid and therefore the provisions of Clause 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence Clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, at present the company is registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly holding the Certificate of Registration.

For Mehta & Pai

Chartered Accountants
Firm's Registration No. 113591W

Suresh Mehta

PARTNER

Place: Mumbai

Date: August 25, 2020

Membership No. 032230

Annexure to the Independent Auditor's Report

ANNEXURE-B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Hincon Holdings Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Mehta & Pai

Chartered Accountants
Firm's Registration No. 113591W

Suresh Mehta

PARTNER

Place: Mumbai

Date: August 25, 2020

Membership No. 032230

Balance Sheet as at 31st March, 2020

Particulars	Note No.	As At 31st March 2020	As At 31st March 2019
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	3	9,266,100	9,266,100
Reserves & Surplus	4	<u>348,306,480</u>	<u>345,824,215</u>
		357,572,580	355,090,315
2 Current Liabilities			
Other current Liabilities	5	843,855	987,232
TOTAL		<u>358,416,435</u>	<u>356,077,548</u>
II. ASSETS			
1 Non - current Assets			
Fixed Assets			
Tangible Assets	6	160,879	164,563
Non current Investments	7	315,117,185	315,117,185
Long Term Loans and advances	8	<u>1,524,706</u>	<u>615,243</u>
		316,802,770	315,896,991
2 Current Assets			
Inventories	9	40,508,372	21,635,828
Cash and bank balances	10	602,422	554,891
Trade Receivables	11	432,000	17,916,097
Short term loan and advances	12	<u>70,870</u>	<u>73,739</u>
		41,613,665	40,180,556
Significant Accounting policies			
TOTAL		<u>358,416,435</u>	<u>356,077,548</u>

The accompanying Notes including other explanatory information forming integral part of financial statements.

As per our report of even date attached.

For Mehta & Pai
Chartered Accountants
FR No. 113591W

Suresh Mehta
Partner
M. No.032230

Place : Mumbai
Date : August 25, 2020

Ajit Gulabchand Chairman
(DIN : 00010827)

Shalaka Gulabchand Dhawan Vice Chairperson
(DIN : 00011094)

Chandahas Vinod Zaveri Director
(DIN : 03564067)

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

	Note No.	31st March 2020	31st March 2019
I REVENUE FROM OPERATIONS	13		
Sale of Securities		22,072,619	22,301,590
Other Operating Revenues		1,029,950	997,173
		23,102,569	23,298,763
II OTHER INCOME	14	4,515,190	4,860,275
III TOTAL REVENUE (I+ II)		27,617,759	28,159,039
IV EXPENDITURE			
Cost of Securities sold	15	22,030,028	22,301,675
Employee Benefits Expense	16	1,261,295	1,193,337
Depreciation		3,684	3,684
Other Expenses	17	2,283,174	1,573,918
TOTAL OPERATING EXPENSES		25,578,181	25,072,614
VI Exceptional Items		-	-
VII Profit Before Extraordinary Items & Tax (V - VI)		2,039,578	3,086,425
VIII Extraordinary Items			
IX Profit Before Tax (VII - VIII)		2,039,578	3,086,425
X Tax Expense:			
1) Current Tax		267,000	812,000
2) Deferred Tax			
3) MAT Credit Entitlement			
4) Excess/(short)Provision of earlier years written back		(709,686)	(898,770)
XI Profit / (Loss) for the year from Continuing operations (IX - X)		2,482,264	3,173,195
XII Profit / (Loss) for the year from discontinuing operations			
XIII Tax Expense from discontinuing operations			
XIV Profit / (Loss) for the year from Discontinuing operations (XII - XIII)			
XII Profit / (Loss) for the year (XI + XIV)		2,482,264	3,173,195
XIII Earnings per equity share:			
Basic & Diluted	18	2.68	3.42

The accompanying Notes including other explanatory information forming integral part of financial statements.

As per our report of even date attached.

For Mehta & Pai

Chartered Accountants
FR No. 113591W

Suresh Mehta

Partner
M. No.032230

Ajit Gulabchand

(DIN : 00010827)

Shalaka Gulabchand Dhawan

(DIN : 00011094)

Chandahas Vinod Zaveri

(DIN : 03564067)

Chairman

Vice Chairperson

Director

Place : Mumbai

Date : August 25, 2020

Cash Flow Statement for the year ended 31st March, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit before tax	2,039,578	3,086,425
Non-cash adjustment to reconcile profit before tax to net cash flows		
Provision for Loss in Investment	-	72,316
Depreciation/ amortization	3,684	3,684
Interest expense		
Operating profit before working capital changes	2,043,262	3,162,425
Movements in working capital :		
Increase / (decrease) in other current liabilities	(143,378)	(569,646)
Decrease / (increase) in Trade receivable	17,484,097	(2,480,175)
Decrease / (increase) in Inventories	(18,872,544)	(758,499)
Decrease / (increase) in long-term loans and advances	(909,463)	(105,572)
Decrease / (increase) in short-term loans and advances	2,869	18,050
Cash generated from /(used in) operations	(395,156)	(733,417)
Direct taxes paid/ Provision (net of refunds)	442,686	86,770
Net cash flow from/ (used in) operating activities (A)	47,530	(646,647)
Cash flows from investing activities		
Decrease / (increase) in Investment	-	-
Net cash flow from/ (used in) investing activities (B)	-	-
Cash flows from financing activities		
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	47,530	(646,647)
Cash and cash equivalents at the beginning of the year	554,891	1,201,538
Cash and cash equivalents at the end of the year	602,421	554,891
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks	602,421	554,891
Total cash and cash equivalents (Note 10)	602,421	554,891

As per our report of even date attached.

For Mehta & Pai
Chartered Accountants
FR No. 113591W

Suresh Mehta
Partner
M. No.032230

Place : Mumbai
Date : August 25, 2020

Ajit Gulabchand Chairman
(DIN : 00010827)

Shalaka Gulabchand Dhawan Vice Chairperson
(DIN : 00011094)

Chandahas Vinod Zaveri Director
(DIN : 03564067)

Notes to Accounts

NOTE 1 : BACKGROUND

Hincon Holdings Limited('the Company') is registered as a Non-Banking Financial Company('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending and investing activities.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES:

a METHOD OF ACCOUNTING

The Company maintains its accounts on accrual basis.

b FIXED ASSETS

Fixed Assets are stated at cost of acquisition net off accumulated depreciation.

c DEPRECIATION / AMORTISATION

Depreciation on fixed assets is provided:

- In respect of Computers, depreciation is provided on Straight Line Basis over a period of three years on a pro-rata basis.
- Leasehold rights in Land & Building are amortised over the period of lease.

d INVESTMENTS

Investments are stated at cost and are classified as Long Term(non current) Investments.

e DIVIDEND

Dividend income is accounted for when the right to receive the payment is established.

f STOCK-IN-TRADE

g TAXATION

The tax expense comprises of current tax & deferred tax charged or credited to the profit and loss account for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax expenses or benefit is recognised using the tax rates and tax laws that have been enacted by the balance sheet date. In the event of unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

h. EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per shares, the net profit or loss for the period attributable to equity shareholders by weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Particulars	As At	As At
	31st March 2020	31st March 2019

NOTE 3 : SHARE CAPITAL

Authorised Capital		
20,00,000 Equity Shares of ₹ 10/- each	20,000,000	20,000,000
10,00,000 Unclassified shares of ₹ 10/- each	10,000,000	10,000,000
TOTAL	<u>30,000,000</u>	<u>30,000,000</u>

Issued,Subscribed & Paid-up Capital

9,26,610 Equity Shares of ₹ 10/- each fully paid-up	9,266,100	9,266,100
TOTAL	<u>9,266,100</u>	<u>9,266,100</u>

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares :

Number of Shares outstanding at the Beginning of the year:	Qty	926,610	926,610
	Value	9,266,100	9,266,100
Add : Shares issued and allotted during the year	Qty	-	-
	Value	-	-
Number of Shares outstanding at the End of the year:	Qty	926,610	926,610

b Terms/rights attached to shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c Shareholding of more than 5%:

Name of the Shareholder	% held	As at	As at
		31st March, 2020	31st March, 2019
		No. of shares	No. of shares
Shri. Ajit Gulabchand	91.89	851,465.00	851,465.00

Notes to Accounts

As at
31st March, 2020

As at
31st March, 2019

NOTE 4 : RESERVES AND SURPLUS

a) General Reserves		
Opening Balance	69,365,636	69,365,636
Add: Transferred from Statement of Profit and Loss	-	
	<u>69,365,636</u>	<u>69,365,636</u>
b) Special Reserve U/s 45 (IC) of the RBI Act, 1934		
Opening Balance	141,424,639	140,790,000
Add: Transferred from Statement of Profit and Loss	496,453	634,639
	<u>141,921,092</u>	<u>141,424,639</u>
c) Surplus as per Statement of Profit and Loss		
Balance brought Forward	135,033,940	132,495,385
Add: Profit/(Loss) for the year	2,482,264	3,173,195
Less: Transferred to General Reserve	-	
Less: Tax on Proposed Dividend		
Less: Transfer to Special Reserve U/s 45 (IC) of the RBI Act, 1934	496,453	634,639
	<u>137,019,752</u>	<u>135,033,940</u>
TOTAL	<u>348,306,480</u>	<u>345,824,215</u>

NOTE 5 : OTHER CURRENT LIABILITIES

a) Other Trade Payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	644,222	866,425
b) Statutory Dues Payable	107,938	36,081
c) Due to Employees	91,695	84,726
TOTAL	<u>843,855</u>	<u>987,232</u>

NOTE 6 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As At 01.04.2019	Additions	Deductions	As At 31.03.2020	As At 01.04.2019	For The Year	eductions Year	Upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
Tangible Assets (At Cost):										
Lease Hold Rights in Land & Building*	225,700	-	-	225,700	61,137	3,684	-	64,821	160,879	164,563
Total of This Year	225,700	-	-	225,700	61,137	3,684	-	64,821	160,879	164,563
Total of Previous Year	225,700	-	-	225,700	53,769	3,684	-	57,453	168,247	

(*) 1 : The Mumbai High Court wide its order dated 1st July 1999 sanctioned a scheme of arrangement (for demerger) between Walchand Capital Ltd (WC) and the Company & Others. As a result the Company was entitled to leasehold rights in the land/premises which was built on the land leased to WC by the Mumbai Port Trust (MPT) together with undivided 32.19% of the share, right, title and interest in the said leasehold land. However, the matter relating to the vesting of the aforesaid leasehold rights in favour of the Company is subject to the decision in a suit filed by WC against MPT in the City Civil Court, Mumbai.

Note 7 : Non Current Investments

Particulars	As at 31 March 2020	As at 31 March, 2019
A Other Non Current Investments (At Cost)		
Investment Properties	36,360,000	36,360,000
Investments in Share Warrents	-	-
Investment in Equity instruments	278,757,184	278,826,701
Investments in Preference shares	1	2,800
Total	<u>315,117,185</u>	<u>315,189,501</u>
Less : Provision for dimunition in the value of Investments	-	72,316
Total	<u>315,117,185</u>	<u>315,117,185</u>

Notes to Accounts

	As at 31 March 2020		As at 31 March, 2019	
	Cost	Market Value	Cost	Market Value
Aggregate Of Investments				
i. Quoted	271,257,183	861,934,164	271,257,183	3,242,514,236
ii. UnQuoted	7,500,002	-	7,572,318	-
iii. Others	36,360,000	-	36,360,000	-
	315,117,185	861,934,164	315,189,501	3,242,514,236

A Details of Other Non-current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at 31 st Mar, 2020	As at 31 st Mar, 2019			As at 31 st Mar, 2020	As at 31 st Mar, 2019	As at 31 st Mar, 2020	As at 31 st Mar, 2019		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Investment in Equity Instruments											
	Hindustan Construction Company Ltd	Others	216,023,600	216,023,600	Quoted	Fully paid	14.28%	14.28%	271,257,183	271,257,183	Yes	
	Hincon Finance Limited	Others	390,000	390,000	Unquoted	Fully paid	-	-	7,500,000	7,500,000	Yes	
	Lavasa Corporation Limited	Others	-	2,387	Unquoted	Fully paid	-	-	1	69,518	Yes	
	Sub Total		216,413,600	216,415,987					278,757,184	278,826,701		
(2)	Investments in Preference Shares											
	Lavasa Corporation Limited		28	28	Unquoted	Fully paid	-	-	1	2,800	Yes	
	Sub Total		28	28					1	2,800		
	Total		216,413,628	216,416,015					278,757,185	278,829,501		

Note: Amount equivalent to 34.05% of the sale proceeds (net of tax liability) to be received in future on sale of the immovable properties specified below has not been considered since the amount of sale is not yet quantified.

Description of the property:

- The piece and parcel of land situated at Gamdevi, West of Agra Road, Bhandup, Mumbai admeasuring about 11441 sq.mtrs bearing Survey No. 141 and CTS No. 191 to 199 registered under Deed of Conveyance dated 19.01.1938 in the office of Sub Registrar Bandra under Serial No. 87 of 1938.
- The piece and parcel of land situated at Village Bhopar, Taluka Kalyan, Dist. Thane and the same is in three pieces alongwith railway line between Diva and Dombivali Railway Station and 45 Kms stone admeasuring about 10,243 sq. mtrs bearing Survey No. 168-1, 170 and 171 and registered under the Conveyance Deed dated 19.11.1938 in the office of Sub Registrar, Kalyan under Serial No. 94 of 1938 purchased from M/s. Pathak Walchand and Company Limited.
- The National Company Law Tribunal, Mumbai (NCLT) vide Order dated 30 August 2018, has admitted an application filed against Lavasa Corporation Limited (LCL) by an operational creditor and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 ('IBC'). In accordance with the provisions of IBC, the powers of the Board of Directors of LCL shall stand suspended and the management of LCL presently vests with the Resolution Professional ('RP') appointed under the provisions of IBC. In view of uncertainties associated with the outcome of CIRP and as a matter of prudence,

the Company had made provision for Diminution in value of investment.

NOTE 8 : LONG TERM LOANS AND ADVANCES

Unsecured, Considered Good

a) Loan to Employees		-
a) Deposits	1,040,256	1,040,256
b) Inter Corporate Deposits		
b) Advance tax (net)	484,450	(425,013)
	1,524,706	615,243

NOTE 9 : INVENTORIES

Stock-in-Trade	40,508,372	21,635,828
Less : Diminution in value		-
	40,508,372	21,635,828

NOTE 10 : CASH AND BANK BALANCE

a) Cash & Cash Equivalents

Cash on Hand	500,000	-
b) With Scheduled Banks:		
Current Account	102,422	554,891
c) Other Bank Balances		
Balances with Bank for Unpaid Dividend		-
	602,422	554,891

Notes to Accounts

NOTE 11 : TRADE RECEIVABLES

(a) Trade Receivables considered good – Secured;	-	-
(b) Trade Receivables considered good – Unsecured;	432,000	17,916,097
(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
(d) Trade Receivables – credit impaired	-	-
	<u>432,000</u>	<u>17,916,097</u>

NOTE 12 : SHORT TERM LOAN & ADVANCES

Unsecured, Considered Good

a) Loans and advances to related parties	70,000	70,000
b) Prepaid Expenses	870	3,739
c) Staff Imprest	-	-
	<u>70,870</u>	<u>73,739</u>

Particulars	31st March 2020	31st March 2019
	-	-

NOTE 13 : REVENUE FROM OPERATIONS

(a) Sale of Securities	22,072,619	22,301,590
(b) Other Operating Revenues		
Dividend from Mutual Fund	1,029,950	997,173
	<u>23,102,569</u>	<u>23,298,763</u>

NOTE 14 : OTHER INCOME

a) Dividend	-	8
b) Interest Income		
Interest on Bank Deposits		
b) Other non-operating Income		
Rent	4,436,775	4,444,148
Interest on I.T. Refund	18,067	60,200
Liabilities no longer required, written back	60,348	355,919
	<u>4,515,190</u>	<u>4,860,275</u>

NOTE 15 : COST OF SECURITIES SOLD

Opening Stock	21,635,828	20,877,329
Add: Purchases	40,902,572	23,060,173
	62,538,400	43,937,503
Less: Closing Stock (after diminution in value)	40,508,372	21,635,828
TOTAL	<u>22,030,028</u>	<u>22,301,675</u>

NOTE 16 : EMPLOYEE BENEFITS EXPENSE

a) Salaries, Wages, Bonus and Gratuity	1,248,703	1,179,167
b) Staff Welfare Expenses	12,592	14,170
TOTAL	<u>1,261,295</u>	<u>1,193,337</u>

NOTE 17 : OTHER EXPENSES

a) Rates & Taxes	849,937	2,500
b) Directors Sitting Fees	90,000	85,000
d) Postage, Printing and Stationery	58,350	132,885
e) Filing fees	2,700	31,165
f) Advertisement Expenses	30,660	42,840
g) Professional Charges	140,681	110,800
h) Demat Charges	1,416	826
i) Bank charges	590	2,065
j) Legal Expenses	258,624	170,485
k) Repairs & Maintenance Charges	-	79,301
l) Auditors' Remuneration		
Audit Fees	110,000	100,000
Certification Charges	5,000	10,500
m) Provision for Diminution in Value of Investment	-	72,316
n) Building Security Charges	735,216	730,611
o) Interest on Delayed payment	-	2,624
	<u>2,283,174</u>	<u>1,573,918</u>

NOTE 18 : EARNING PER SHARE

a) Net Profit/ Loss available for Equity Shareholders (`)	2,482,264	3,173,195
b) Number of Shares	926,610	926,610
c) EPS Basic & Diluted (`)	2.68	3.42

Notes to Accounts

NOTE 19: INCOME TAX

The Income-tax Assessments of the Company have been completed upto the Accounting year ended 31st March 2016.

NOTE 20 :CONTINGENT LIABILITIES

Claims not acknowledged as debt by the Company : ` 7703942 (Previous Year ` 71,05,651)

NOTE 21 : Related Party Disclosures

- (A) Names of the Related Parties & Nature of Relationship
- (a) Associate Company
 - 1) Hindustan Construction Company Limited
 - 1) Hincon Finance Limited
 - (b) Key Management Personnel & Relative of Key Management Personnel
 - 1) Ajit Gulabchand - Chairman
 - 2) Shalaka Gulabchand Dhawan

Nature of Transactions		Party	31st March 2020	31st March 2019
1)	Outstanding balance included in Investments	Associate	278,757,185	278,757,185
2)	Director Fees	Directors	90000	85000

NOTE 22: Additional information pursuant to paragraph 9BB of the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1988. (Refer Annexure - I)

NOTE 23: In terms of the obligations for the Promoters of Hindustan Construction Company Ltd (HCC), as per CDRLOA dated 29th June 2012 and in the Master Restructuring Agreement dated 29th June 2012 executed by HCC with CDR Lenders, updated status is as under :

Pursuant to the CDR package approved for Hindustan Construction Company Ltd ('HCC'), the Promoters were required to provide Promoter Contribution to the extent of ` 64,00,00,000, in two tranches of ` 32,00,00,000 each by way of unsecured and subordinated debt or by way of contribution to equity or preference share capital of HCC or any other instruments, convertible into equity shares. Accordingly the entire Promoter Contribution of ` 64,00,00,000 has been contributed by the Company (Hincon Holdings Ltd.) and Hincon Finance Ltd ('Promoter Companies').

"On 27th June, 2013, HCC has allotted 3,92,15,686 Warrants, in aggregate, convertible into 3,92,15,686 Equity Shares of ` 1/- each at a conversion price of ` 16.32 per Equity Share to the Promoter Companies, which are convertible within a period of 18 months from the date of allotment of the Warrants. Out of the above, 1,53,20,000 Warrants were allotted to Hincon Holdings Ltd and the balance Warrants were allotted to Hincon Finance Ltd by HCC. Pursuant to the said allotment of Warrants, a sum of ` 4.08 per Warrant towards 25% of the issue price of the Warrant

aggregating to a sum of ` 6,25,05,600, has been appropriated from the Promoter Contribution paid by the Company, and the balance Promoter Contribution from the Company has been shown as unsecured Interest free loan to HCC." On 2nd May 2014, Company subscribed to the aforementioned conversion of the Warrants and thereupon Hindustan Construction Company Ltd has allotted 1,53,20,000 Equity Shares of face value Re.1/- each, to Company, at a conversion price of ` 16.32 per Equity Share and the allotment proceeds have been appropriated from balance Promoter Contribution infused earlier, in terms of the requirements of the CDR package for HCC."

The Company had executed an undertaking in favour of CDR Lenders to meet shortfall in the cash flows; debt servicing obligation etc of HCC relation to any CDR Lender.

NOTE 24: Pledge of Shares :

" During FY 2012-13, in accordance with the approval of the CDR Package for Hindustan Construction Company Ltd (HCC), the Company (Promoter Company of HCC/Pledgor) , had pledged 20,07,03,600 equity shares of ` 1/ each held in HCC in favour of Universal Trusteeship Services Ltd (formerly '3i Infotech Trusteeship Services Ltd') , the Security Trustee for the CDR Lenders (Pledgee). During FY 2016-17, in accordance with the RBI Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme") which was implemented for HCC, as per the terms agreed therein, inter alia the pledge on the aforesaid shares i.e. 20,07,03,600 equity shares of Re.1/- each held by our Company in HCC, was recreated in favour of the same Pledgee, ie. Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and on behalf of the Debenture Trustee for OCD Lenders. Further in terms of the said pledge requirements, on the additional 1,53,20,000 equity shares of ` 1/- each allotted by HCC on 2nd May 2014 to the Company, towards allotment of shares for Promoter Contribution, fresh pledge was created during the year, in favour of Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and held by them on behalf of the Debenture Trustee for OCD Lenders , and hence, the entire 21,60,23,600 equity shares of the Company held in HCC, stood pledged with Universal Trusteeship Services Ltd. During FY 2017-18, HCC has entered into facility agreements for avilment of additional working capital facilities from the Lenders for Operations and towards Arbitration Bank Guarantees respectively, and as per the terms agreed therein, Master Pledge Agreement was executed on March 29, 2018, inter alia, by the Company for recreation of pledge on the aforementioned entire 21,60,23,600 equity shares held in HCC on the terms and conditions contained therein, in favour of Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and held by them on behalf of the Debenture Trustee for OCD Lenders."

Further to the facilities availed by HCC under S4A Scheme as per the Master S4A Framework Agreement executed with the Lenders , in respect of additional working capital facilities availed by HCC from the Lenders for Operations and towards Arbitration

Notes to Accounts

Bank Guarantees respectively, and as per the terms agreed therein, last Master Pledge Agreement was executed by Hincon Holdings Ltd during the FY 2018-19 for recreation of pledge on its shareholding in HCC.

NOTE 25 : "Estimation of uncertainties relating to the global health pandemic COVID-19"

The company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current

estimates. The Company expects to recover the carrying amount of trade receivables including investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company will continue to monitor developments to identify significant uncertainties in future periods, if any."

NOTE 26 : Previous Year figures have been regrouped and recast wherever necessary.

As per our report of even date attached.

For Mehta & Pai

Chartered Accountants
FR No. 113591W

Suresh Mehta

Partner
M. No.032230

Place : Mumbai

Date : August 25, 2020

Ajit Gulabchand

(DIN : 00010827)

Chairman

Shalaka Gulabchand Dhawan

(DIN : 00011094)

Vice Chairperson

Chandahas Vinod Zaveri

(DIN : 03564067)

Director

Notes to Accounts

Note 9 Closing Stock 31-3-2020

Mutual Funds	Opening Stock			Purchases			Sales			Closing						Stock	
	Quantity	Rate	Cost	Quantity	Rate	Total	Quantity	Rate	Total	Quantity	Rate	Cost	Mkt Rate	Mkt Value	Rate to be used	Total	
SBI Liquid Fund-Direct-DD	1,320	1,003	1,324,439	17	1,003	16,722	1,337	1,003	1,341,158	-	-	-	-	-	-	-	
Kotak Savings Fund-DP-DD	2,015,038	10	20,311,391	37,338	10	377,477	2,052,376	10	20,731,461	-	-	-	-	-	-	-	
Kotak Overnight Fund -DDR	-	-	-	21,145	1,004	21,221,217	-	-	-	21,145	1,004	21,221,217	1,004	21,221,217	1,004	21,221,217	
SBI Overnight Fund-DP-DD	-	-	-	19,098	1,010	19,287,155	-	-	-	19,098	1,010	19,287,155	1,010	19,287,155	1,010	19,287,155	
Total	2,016,358		21,635,829	77,598		40,902,571	2,053,713		22,072,619	40,243		40,508,372		40,508,372		40,508,372	

Notes to Accounts

ANNEXURE I

Schedule to the Balance Sheet of a Non Banking Financial Company [as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

(`)		
Particulars	Amount Outstanding	Amount Overdue
1 Liability Side:		
Loans and advances availed by the NBFCs inclusive of interest accrued there on but not paid		
a Debentures: Secured	NIL	NIL
Unsecured (Other than falling within the meaning of public deposits *)	NIL	NIL
b Deferred Credits	NIL	NIL
c Term Loans	NIL	NIL
d Inter-corporate loans and borrowings	NIL	NIL
e Commercial Paper	NIL	NIL
f Public Deposits *	NIL	NIL
g Other Loans (specify nature)	NIL	NIL
* Please see Note 1 below		
2 Break up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :-		
a In the form of Unsecured debentures	NIL	NIL
b In the form of party secured debentures i.e. debentures where there is a shortfall in the	NIL	NIL
c Other public deposits	NIL	NIL
* Please see Note 1 below		
Assets Side:		

Amount Outstanding (`)		
3 Break up of Loans & advances including bills receivables (other than those included in (4) below)		
a Secured	NIL	
b Unsecured		1,110,256

4 Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities

i Lease assets including lease rentals under sundry debtors:		
a Financial lease		NIL
b Operating lease		NIL
ii Stock on hire including hire charges under sundry debtors:		
a Assets on hire		NIL
b Repossessed Assets		NIL
iii Hypothecation loans counting towards EL/HP Activities		
a Loans where assets have been repossessed		NIL
b Loans other than (a) above :		NIL

5 Break up of investments:		
Current Investments:		(`)
1 Quoted:		
i Shares:		
a Equity		NIL
b Preference		NIL
ii Debentures and Bonds		NIL
Units of mutual funds		NIL
iv Government Securities		NIL
v Others (please specify)		NIL
2 Unquoted:		
i Shares:		
a Equity		NIL
b Preference		NIL
ii Debentures and Bonds		NIL
iii Units of mutual funds		NIL
iv Government Securities		NIL
v Others (please specify)		NIL
Long Term Investments		
Quoted:		
i Shares:		
a Equity		271,257,183
b Preference		NIL
ii Debentures and Bonds		NIL

Notes to Accounts

iii Units of mutual funds		NIL
iv Government Securities		NIL
v Others (please specify)		NIL
2 Unquoted:		
i Shares:		
a Equity	Note 1	7,500,001
b Preference	Note 2	1
ii Debentures and Bonds		NIL
iii Units of mutual funds		NIL
iv Government Securities		NIL
v Share Warrants		NIL
vi Land		36,360,000

6 Borrower group wise classification of all leased assets stock on hire and loans and advances Please see Note 2 Below

Category	Amount Net of Provisions		
	Secured	Unsecured	Total
1 Related Parties **			
a Subsidiaries	NIL	NIL	NIL
b Companies under same group	NIL	NIL	NIL
c Other related parties	NIL	NIL	NIL
2 Other than related parties	NIL	NIL	NIL
Total	NIL	NIL	NIL

7 Investor group wise classification of all investments (current and long term in shares and securities (both quoted and unquoted)):

Please see note 3 below

Category	Market Value/ Break up or fair value or NAV (In Lacs)	Book Value (Net of Provisions) (In Lacs)
1 Related Parties **		
a Subsidiaries	NIL	NIL
b Companies under same group	75	75
c Other related parties	-	-
2 Other than related parties	8,619.34	2,712.57
Total	8,694.34	2,787.57
8 Other information		
Particulars		
i Gross Non Performing Assets		
a Related parties		NIL
b Other than related parties		NIL
ii Net Non Performing Assets		
a Related parties		NIL
b Other than related parties		NIL
iii Assets acquired in satisfaction of debt		NIL

Notes:

- As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

** As per Accounting Standard of ICAI (Please see Note 3)

Independent Auditor's Report

TO THE MEMBERS OF HINCON HOLDINGS LIMITED

Report on the Consolidated Financial Statements Qualified Opinion

We have audited the accompanying consolidated financial statements of HINCON HOLDINGS LIMITED as required under section 129(3) of the Companies Act, 2013 wherein Company's investment in its Associate namely Hincon Finance Limited have been accounted as per Accounting Standard 23 i.e "Accounting for Investments in Associates in Consolidated Financial Statements" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the associates, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2020, and its consolidated Profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

1. We invite attention to Note 7(iv) to the consolidated financial statements, in case of Hincon Finance Limited (HFL), which has become an associate of the company from 1st July, 1999, as the accounts of the associate are not available with the company from 1999 to 2015 the same has not been considered for the purpose of consolidation. Impact of the non-inclusion on cost of investment in the associate for these years could not be ascertained.
2. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance

with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

3. The Holding Company's Board of Directors is responsible for preparation of other information. Other information comprises the information included in the Annual Report but does not include the Consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement 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.

Responsibilities of Management for the Consolidated Financial Statements

4. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance), and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. Further, in terms of the provisions of the Act, the respective Board of Directors / management of the company included in the group and its associate company covered under the act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Independent Auditor's Report

5. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements :

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Group, its associate (covered under the act) have 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
 10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The consolidated financial statements include the share of net profit of Rs.66,44,841 for the year ended 31 March 2020, in respect of an associate namely, Hincon Finance Limited. The Audited financial statements of Hincon Finance Limited have been furnished to us by the Management and our opinion on the Audited financial statements and our report in terms of sub-section (3) of Section 143 of the Act and other legal and regulatory requirements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act, based on our audit we report that the holding company and its associate company Hincon Finance Limited has not paid remuneration to its directors during the year .

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the associates we report, to the extent applicable, that :

- (a) We have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Audited financial statements have been kept so far as it appears from our

Independent Auditor's Report

- examination of those books and the reports of the auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the consolidated cash flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the other statutory auditors of its associate company incorporated in India, none of the directors of the Company are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion paragraph with respect Associate of the company ;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its Associate and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the auditor on separate financial statements and also the other financial information of the associate:
- (i) The Holding Company and it's other associate Hincon Finance Limited does not have any pending litigations which would impact its financial position as on 31st March, 2020;
- (ii) The Company and an associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, and its Associate.

For Mehta & Pai

Chartered Accountants
Firm's Registration No. 113591W

Suresh Mehta

PARTNER

Place: Mumbai

Date: August 25, 2020

Membership No. 032230

Annexure to the Independent Auditor's Report

ANNEXURE A

Re: Hincon Holdings Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in Para (g) on Report on Other Legal and Regulatory Requirements in our report.

In conjunction with our audit of the consolidated financial statements of the Hincon Holdings Limited as of and for the year ended 31st March, 2020, We have audited the internal financial controls over financial reporting of Hincon Holdings Limited (hereinafter referred to as "the Company") and in respect of its Associate company wherein such audit of the internal financial controls over financial reporting was carried out by Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Company and its associate company which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

Auditor's 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 the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports

referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and based on the consideration of the report of the other auditor on IFCoFR of the associate company, which is company covered under the Act, have, in all material respects, adequate IFCoFR and such controls were operating effectively as at 31 March 2020, based on internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report on the adequacy and operating effectiveness of the IFCoFR for the Company and associate, which are companies incorporated in India, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid associate, is solely based on the corresponding report of the auditor of such company.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the auditor.

For Mehta & Pai

Chartered Accountants
Firm's Registration No. 113591W

Suresh Mehta

PARTNER

Place: Mumbai

Date: August 25, 2020

Membership No. 032230

Consolidated Balance Sheet as at 31st March 2020

		As At 31 March 2020	As At 31 March 2019
	Note No.		
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	3	9,266,100	9,266,100
Reserves & Surplus	4	<u>97,779,615</u>	<u>88,652,509</u>
		107,045,715	97,918,609
2 Current Liabilities			
Other current Liabilities	5	843,855	987,232
TOTAL		<u>107,889,570</u>	<u>98,905,841</u>
II. ASSETS			
1 Non - current Assets			
Fixed Assets	6		
Tangible Assets		160,879	164,563
Non current Investments	7	64,590,321	57,945,479
Long Term Loans and advances	8	<u>1,524,706</u>	<u>615,243</u>
		66,275,906	58,725,285
2 Current Assets			
Inventories	9	40,508,372	21,635,829
Cash and bank balances	10	602,422	554,891
Trade Receivables	11	432,000	17,916,097
Short term loan and advances	12	<u>70,870</u>	<u>73,739</u>
		41,613,664	40,180,556
Significant Accounting policies	2		
TOTAL		<u>107,889,570</u>	<u>98,905,841</u>

The accompanying Notes including other explanatory information forming integral part of financial statements.

As per our report of even date attached.

For Mehta & Pai
Chartered Accountants
FR No. 113591W

Suresh Mehta
Partner
M. No.032230

Place : Mumbai
Date : August 25, 2020

Ajit Gulabchand
(DIN : 00010827) Chairman

Shalaka Gulabchand Dhawan
(DIN : 00011094) Vice Chairperson

Chandahas Vinod Zaveri
(DIN : 03564067) Director

Consolidated Statement of Profit and Loss Account for the year ended 31st March, 2020

	Note No.	31 March 2020	31 March 2019
I REVENUE FROM OPERATIONS	13		
Sale of Securities		22,072,619	22,301,590
Other Operating Revenues		1,029,950	997,173
		23,102,569	23,298,763
II OTHER INCOME	14	4,515,190	4,860,275
III TOTAL REVENUE (I+ II)		27,617,759	28,159,039
IV EXPENDITURE			
Cost of Securities sold	15	22,030,028	22,301,673
Employee Benefits Expense	16	1,261,295	1,193,337
Depreciation	6	3,684	3,684
Other Expenses	17	2,283,174	1,573,918
TOTAL OPERATING EXPENSES		25,578,181	25,072,612
V Profit Before Exceptional & Extraordinary Items & Tax (III - IV)		2,039,578	3,086,427
VI Exceptional Items		-	-
VII Profit Before Extraordinary Items & Tax (V - VI)		2,039,578	3,086,425
VIII Extraordinary Items		-	-
IX Profit Before Tax (VII - VIII)		2,039,578	3,086,425
X Tax Expense:			
1) Current Tax		267,000	812,000
2) Deferred Tax		-	-
3) MAT Credit Entitlement		-	-
4) Excess/(short)Provision of earlier years written back		(709,686)	(898,770)
XI Profit / (Loss) for the year from Continuing operations (IX - X)		2,482,264	3,173,195
XIII Tax Expense from discontinuing operations			
XIV Profit / (Loss) for the year from Discontinuing operations (XII - XIII)			
XII Share of profit of associates		6,644,841	554,661
XIII Profit / (Loss) for the year (XI + XIV)		9,127,106	3,727,858
XIV Earnings per equity share:			
Basic & Diluted	18	9.85	4.02

The accompanying Notes including other explanatory information forming integral part of financial statements.

As per our report of even date attached.

For Mehta & Pai
Chartered Accountants
FR No. 113591W

Suresh Mehta
Partner
M. No.032230

Place : Mumbai
Date : August 25, 2020

Ajit Gulabchand
(DIN : 00010827) Chairman

Shalaka Gulabchand Dhawan
(DIN : 00011094) Vice Chairperson

Chandahas Vinod Zaveri
(DIN : 03564067) Director

Consolidated Cash Flow Statement for the year ended 31st March, 2020

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	2,039,578	3,086,427
Non-cash adjustment to reconcile profit before tax to net cash flows	-	72,316
Adjustment of equity accounting of associate		
Share of profit of associates	6,644,842	554,661
Depreciation/ amortization	3,684	3,684
Operating profit before working capital changes	8,688,105	3,717,088
Movements in working capital :		
Increase / (decrease) in other current liabilities	(143,377)	(569,646)
Decrease / (increase) in Inventories	(18,872,543)	(758,500)
Decrease / (increase) in long-term loans and advances	(909,463)	(105,572)
Decrease / (increase) in trade receivables	17,484,097	(2,480,176)
Decrease / (increase) in short-term loans and advances	2,869	18,051
Cash generated from /(used in) operations	6,249,687	(178,755)
Direct taxes paid/Provisions (net of refunds)	442,686	86,772
Net cash flow from/ (used in) operating activities (A)	6,692,373	(91,983)
Cash flows from investing activities		
Decrease / (increase) in Investment	(6,644,844)	(554,665)
Net cash flow from/ (used in) investing activities (B)	(6,644,844)	(554,665)
Cash flows from financing activities		
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	47,530	(646,648)
Cash and cash equivalents at the beginning of the year	554,891	1,201,539
Cash and cash equivalents at the end of the year	602,421	554,891
Components of cash and cash equivalents		
Cash on hand		
Balances with banks	602,422	554,891
- on deposit account		
Total cash and cash equivalents (Note 17)	602,422	554,891
Significant Accounting Policies and Notes on Financial Statements	2	

As per our report of even date attached.

For Mehta & Pai

Chartered Accountants
FR No. 113591W

Suresh Mehta

Partner
M. No.032230

Ajit Gulabchand

(DIN : 00010827)

Chairman

Shalaka Gulabchand Dhawan

(DIN : 00011094)

Vice Chairperson

Chandahas Vinod Zaveri

(DIN : 03564067)

Director

Place : Mumbai

Date : August 25, 2020

Notes to Accounts

NOTE 1: BACKGROUND

Hincon Holdings Limited('the Company') is registered as a Non-Banking Financial Company('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending and investing activities.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED ACCOUNTS AS AT MARCH 31, 2020.

1. Basis of preparation and Principles of Consolidation

I. Basis of preparation of the consolidated financial statements:

The consolidated financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the act, and the accounting principles generally accepted in India and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

II. Principles of consolidation

The consolidated financial statements are prepared by :

Consolidating its accounts with financial statements of its associates by equity method of accounting.

Notes to these consolidated financial statements are intended to serve as means of informative disclosure and guide to better understanding. Recognising this purpose, the company has disclosed only such Notes from the Individual Financial Statements, which fairly present the needed disclosures.

III. Method of Consolidation

The consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 23- Accounting for Investments in Associates in Consolidated Financial Statements"- issued by the Institute of Chartered Accountants of India.

IV. Associate

The Hincon Finance Limited, an associate of the company, in which the company is having 48.75% of share holding at the end of this financial year.

2. Method of Accounting

The Company maintains its accounts on accrual basis.

3. Fixed Assets

Fixed Assets are stated at cost of acquisition net off accumulated depreciation.

4. Depreciation/Amortisation

Depreciation on fixed assets is provided:

- In respect of Computers, depreciation is provided on Straight Line Basis over a period of three years on a pro-rata basis.
- Leasehold rights in Land & Building are amortised over the period of lease.

5. Investments

Investments are stated at cost and are classified as Long Term (non current) Investments.

6. Dividend

Dividend income is accounted for when the right to receive the payment is established.

7. Stock In Trade

Shares and Securities held as Stock-in-trade are valued at cost (FIFO basis) or net realisable value whichever is lower.

8. Taxation

The tax expense comprises of current tax & deferred tax charged or credited to the profit and loss account for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax expenses or benefit is recognised using the tax rates and tax laws that have been enacted by the balance sheet date. In the event of unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

Notes to Accounts

9. Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per shares, the net profit or loss for the period attributable to equity shareholders by weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Particulars	As At 31 March 2020	As At 31 March 2019
-------------	------------------------	------------------------

NOTE 3 : SHARE CAPITAL

Authorised Capital		
20,00,000 Equity Shares of ` 10/- each	20,000,000	20,000,000
10,00,000 Unclassified shares of ` 10/- each	10,000,000	10,000,000
TOTAL	<u>30,000,000</u>	<u>30,000,000</u>
Issued,Subscribed & Paid-up Capital		
9,26,610 Equity Shares of ` 10/- each fully paid-up	9,266,100	9,266,100
TOTAL	<u>9,266,100</u>	<u>9,266,100</u>

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

		As At 31 March 2020	As At 31 March 2019
Equity Shares :			
Number of Shares outstanding at the Beginning of the year:	Qty	926,610	926,610
	Value	9,266,100	9,266,100
Add: Shares issued and allotted during the year	Qty	-	-
	Value	-	-
Number of Shares outstanding at the End of the year:	Qty	926,610	926,610
	Value	9,266,100	9,266,100

b Terms/rights attached to shares:

The company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c Shareholding of more than 5%:

Name of the Shareholder	As At 31 March 2020		As At 31 March 2019	
	% held	No. of shares	% held	No. of shares
Shri. Ajit Gulabchand	91.89	851,465	91.89	851,465.00

Notes to Accounts

Particulars	As At 31 March 2020	As At 31 March 2019
NOTE 4 : RESERVES AND SURPLUS		
a) General Reserves		
Opening Balance	71,085,636	70,715,636
Add: Transferred from Statement of Profit and Loss	-	370,000
	71,085,636	71,085,636
b) Special Reserve U/s 45 (IC) of the RBI Act, 1934		
Opening Balance	144,240,000	143,490,000
Add: Transferred from Statement of Profit and Loss	496,453	750,000
	144,736,453	144,240,000
c) Surplus as per Statement of Profit and Loss		
Balance brought Forward	(126,673,127)	(129,280,987)
Add: Profit /(Loss) for the year	9,127,106	3,727,858
Less: Transferred to General Reserve	-	370,000
Less: Proposed Dividend		
Less: Tax on Proposed Dividend		
Less: Adjustment of equity accounting of associate	-	-
Less: Transfer to Special Reserve U/s 45 (IC) of the RBI Act, 1934	496,453	750,000
RBI Act, 1934	(118,042,474)	(126,673,127)
TOTAL	97,779,615	88,652,509
Particulars	As At 31 March 2020	As At 31 March 2019

NOTE 5 : OTHER CURRENT LIABILITIES

a) Other Trade Payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	644,222	866,425
b) Statutory Dues Payable	107,938	36,081
c) Due to Employees	91,695	84,726
TOTAL	843,855	987,232

Notes to Accounts

NOTE 6 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	For The period	Deductions	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Tangible Assets (At Cost):										
Lease Hold Rights in Land & Building (*)	225,700	-	-	225,700	61,137	3,684	-	64,821	160,879	164,563
Total of This Year	225,700	-	-	225,700	61,137	3,684	-	64,821	160,879	164,563
Total of Previous Year	225,700	-	-	225,700	42,717	3,684	-	46,401	179,299	182,983

(*) 1 : The Mumbai High Court wide its order dated 1st July 1999 sanctioned a scheme of arrangement (for demerger) between Walchand Capital Ltd (WC) and the Company & Others. As a result the Company was entitled to leasehold rights in the land/ premises which was built on the land leased to WC by the Mumbai Port Trust (MPT) together with undivided 32.19% of the share, right, title and interest in the said leasehold land. However, the matter relating to the vesting of the aforesaid leasehold rights in favour of the Company is subject to the decision in a suit filed by WC against MPT in the City Civil Court, Mumbai.

Particulars

**As At 31
March 2020** As At 31
March 2019
(`) (`)

NOTE 7 : NON CURRENT INVESTMENTS

a) Investment Properties	36,360,000	36,360,000
b) Investment in Equity instruments		
Hindustan Construction Company Ltd	-	-
Hincon Finance Limited	28,230,319	21,585,477
Lavasa Corporation Limited	69,518	69,518
Less : Provision for Diminution in the Value of Investment	(69,517)	(69,517)
	<u>28,230,320</u>	<u>21,585,478</u>
c) Investments in Preference shares		
Lavasa Corporation Limited	2,800	2,800
Less : Provision for Diminution in the Value of Investment	(2,799)	(2,799)
	<u>1</u>	<u>1</u>
Total	<u>64,590,321</u>	<u>57,945,479</u>

As At 31 March 2020

**Cost (`) Market Value
(`)**

As At 31 March 2019

**Cost (`) Market Value
(`)**

(i) Aggregate Of Investments				
i. Quoted	-	861,934,164	-	3,242,514,236
ii. UnQuoted	28,230,321	-	21,585,477	-
iii. Others	36,360,000	-	36,360,000	-
	<u>64,590,321</u>	<u>861,934,164</u>	<u>57,945,477</u>	<u>3,242,514,236</u>

**As At 31
March 2020**

As At 31
March 2019

(ii) Equity accounted associates				
Cost of investment		278,757,183		278,757,183
Add: Share of profits/(losses)		(250,526,864)		(257,171,705)
		<u>28,230,319</u>		<u>21,585,478</u>

Notes to Accounts

(iii)

Name of the Company	Original Cost of investment	Goodwill/Capital reserve	Accumulated Profit/(loss) as at 31.03.2020	Carrying amount of investment as at 31.03.2020
Hindustan Construction Company Ltd	271,257,183	-	(271,257,183)	-
Hincon Finance Limited (Refer point (iv))	7,500,000	-	20,730,319	28,230,319
	278,757,183	-	(250,526,864)	28,230,319

(iv) In case of Hincan Finance Limited (HFL), which has become an associate of the company from 1st July, 1999, as the accounts of the associate are not available with the company from 1999 to 2015, impact for those years is not taken for the purpose of consolidation.

(v) The company has prepared consolidated accounts taking into account standalone audited accounts of an associate till the year 2002 and consolidated accounts thereafter in terms of AS 21.

(vi) Hindustan Construction Company Limited ("HCC") ceases to be an Associate company, considering the percentage of share being 14.28% in the stated company and does not have any significant influence on the stated company. The stated company's accounts are therefore not considered for consolidation with the Company. However, till Previous Year as per Accounting Standard 23, the company has reported its investment in the associate at nil value under equity method.

Working for Note No. 7

Particulars	As at 31 March 2020		As at 31 March 2019	
	Cost	Market Value	Cost	Market Value
A Other Non Current Investments (At Cost)				
Investment Properties		36,360,000		36,360,000
Investments in Share Warrents		-		-
Investment in Equity instruments		28,230,321		21,654,995
Investments in Preference shares		1		1
Total		64,590,321		58,014,996
Less : Provision for dimunition in the value of Investments		-		(69,517)
Total		64,590,321		57,945,479
	As at 31 March 2020		As at 31 March 2019	
	Cost	Market Value	Cost	Market Value
Aggregate Of Investments				
i. Quoted	-	861,934,164	-	3,242,514,236
ii. UnQuoted	28,230,321	-	21,585,477	-
iii. Others	36,360,000	-	36,360,000	-
	64,590,321	861,934,164	57,945,477	3,242,514,236

Notes to Accounts

A Details of Other Non-current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate /JV/ Controlled Entity/ Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at 31st March, 2020	As at 31st March, 2019			As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Investment in Equity Instruments											
	Hindustan Construction Company Ltd	Others	216,023,600	216,023,600	Quoted	Fully paid	14.28%	14.28%	-	-	Yes	
	Hincon Finance Limited	Others	390,000	390,000	Unquoted	Fully paid			28,230,319	21,585,477	Yes	
	Lavasa Corporation Limited	Others	2,387	2,387	Unquoted	Fully paid			1	69,518	Yes	
	Sub Total		216,415,987	216,415,987					28,230,320	21,654,995		
(2)	Investments in Preference Shares											
	Lavasa Corporation Limited		28	28	Unquoted	Fully paid			1	1	Yes	
	Sub Total		28	28					1	1		
	Total		216,416,015	216,416,015					28,230,321	21,654,996		

Note: Amount equivalent to 34.05% of the sale proceeds (net of tax liability) to be received in future on sale of the immovable properties specified below has not been considered since the amount of sale is not yet quantified.

Description of the property:

- The piece and parcel of land situated at Gamdevi, West of Agra Road, Bhandup, Mumbai admeasuring about 11441 sq.mtrs bearing Survey No. 141 and CTS No. 191 to 199 registered under Deed of Conveyance dated 19.01.1938 in the office of Sub Registrar Bandra under Serial No. 87 of 1938
- The piece and parcel of land situated at Village Bhopar, Taluka Kalyan, Dist. Thane and the same is in three pieces alongwith railway line between Diva and Dombivali Railway Station and 45 Kms stone admeasuring about 10,243 sq. mtrs bearing Survey No. 168-1, 170 and 171 and registered under the Conveyance Deed dated 19.11.1938 in the office of Sub Registrar, Kalyan under Serial No. 94 of 1938 purchased from M/s. Pathak Walchand and Company Limited.
- The National Company Law Tribunal, Mumbai (NCLT) vide Order dated 30 August 2018, has admitted an application filed against Lavasa Corporation Limited (LCL) by an operational creditor and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 ('IBC'). In accordance with the provisions of IBC, the powers of the Board of Directors of LCL shall stand suspended and the management of LCL presently vests with the Resolution Professional ('RP') appointed under the provisions of IBC. In view of uncertainties associated with the outcome of CIRP and as a matter of prudence, the Company had made provision for Diminution in value of investment.

Notes to Accounts

Particulars	As At 31 March 2020	As At 31 March 2019
NOTE 8 : LONG TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
a) Deposits	1,040,256	1,040,256
b) Advance tax (net)	484,450	(425,013)
	<u>1,524,706</u>	<u>615,243</u>
NOTE 9 : INVENTORIES		
Stock-inTrade	40,508,372	21,635,829
	<u>40,508,372</u>	<u>21,635,829</u>
NOTE 10 : CASH AND BANK BALANCE		
a) Cash & Cash Equivalent		
Cash on Hand	500,000	-
b) With Scheduled Banks:		
Current Account	102,422	554,891
c) Other Bank Balances		
Balances with Bank for Unpaid Dividend	-	-
	<u>602,422</u>	<u>554,891</u>
NOTE 11 : TRADE RECEIVABLES		
a) Trade Receivables considered good – Secured;	-	-
b) Trade Receivables considered good – Unsecured;	432,000	17,916,097
c) Trade Receivables which have significant increase in Credit Risk; and	-	-
d) Trade Receivables – credit impaired	-	-
	<u>432,000</u>	<u>17,916,097</u>
NOTE 12 : SHORT TERM LOAN & ADVANCES		
Unsecured, Considered Good		
a) Loans and advances to related parties	70,000	70,000
b) Prepaid Expenses	870	3,739
	<u>70,870</u>	<u>73,739</u>
NOTE 13 : REVENUE FROM OPERATIONS		
a) Sale of Securities	22,072,619	22,301,590
b) Other Operating Revenues		
Dividend from Mutual Fund	1,029,950	997,173
	<u>23,102,569</u>	<u>23,298,763</u>
NOTE 14 : OTHER INCOME		
a) Dividend	-	8
b) Other non-operating Income		
Rent	4,436,775	4,444,148
Interest on I.T. Refund	18,067	60,200
Excess Provision written back	60,348	355,919
	<u>4,515,190</u>	<u>4,860,275</u>

Notes to Accounts

Particulars	As At 31 March 2020	As At 31 March 2019
NOTE 15 : COST OF SECURITIES SOLD		
Opening Stock	21,635,828	20,877,329
Add: Purchases	40,902,571	23,060,171
	62,538,399	43,937,501
Less: Closing Stock (after diminution in value)	40,508,372	21,635,828
TOTAL	22,030,028	22,301,673
NOTE 16 : EMPLOYEE BENEFITS EXPENSE		
a) Salaries,Wages,Bonus and Gratuity	1,248,703	1,179,167
b) Staff Welfare Expenses	12,592	14,170
Total	1,261,295	1,193,337
NOTE 17 : OTHER EXPENSES		
a) Rates & Taxes	849,937	2,500
b) Directors Sitting Fees	90,000	85,000
c) Postage, Printing and Stationery	58,350	132,885
d) Filing fees	2,700	31,165
e) Advertisement Expenses	30,660	42,840
f) Professional Charges	140,681	110,800
g) Demat Charges	1,416	826
h) Bank charges	590	2,065
i) Legal Expenses	258,624	170,485
j) Repairs & Maintenance Charges	-	79,301
k) Auditors' Remuneration		
Audit Fees	110,000	100,000
Certification Charges	5,000	10,500
l) Provision for Diminution in Value of Investment	-	72,316
m) Building Security Charges	735,216	730,611
n) Interest on Delayed payment	-	2,624
TOTAL	2,283,174	1,573,918
NOTE 18 : EARNING PER SHARE		
a) Net Profit/ Loss available for Equity Shareholders (₹)	9,127,106	3,727,858
b) Number of Shares	926,610	926,610
c) EPS (Weighted Average) Basic & Diluted (₹) (not annualised)	9.85	4.02

NOTE 19 : INCOME TAX

The Income-tax Assessments of the Company have been completed upto the Accounting year ended 31st March 2016.

NOTE 20 : CONTINGENT LIABILITIES

Claims not acknowledged as debt by the Company : ₹ 77,03,942 (Previous Year ₹ 71,05,651)

NOTE 21 : RELATED PARTY DISCLOSURES

(A) Names of the Related Parties & Nature of Relationship

- (a) Associate Company
 - 1) Hincon Finance Limited (HFL)
- (b) Key Management Personnel & Relative of Key Management Personnel
 - 1) Ajit Gulabchand - Chairman
 - 2) Shalaka Gulabchand Dhawan

Notes to Accounts

(B) Transactions with Related Parties

Sr. No.	Nature of Transactions	Name of Party	31st March 2020	31st March 2019
1)	Director's Sitting Fees	--	90,000	85,000
2)	Outstanding balance included in Investments	HFL	7,500,000	7,500,000
	Add: Share of Profit/(loss)		20,730,319	14,085,477
			28,230,319	21,585,477

NOTE 22 : PLEDGE OF EQUITY SHARES

During FY 2012-13, in accordance with the approval of the CDR Package for Hindustan Construction Company Ltd (HCC), the Company (Promoter Company of HCC/Pledgor), had pledged 20,07,03,600 equity shares of Re.1/ each held in HCC in favour of Universal Trusteeship Services Ltd (formerly '3i Infotech Trusteeship Services Ltd'), the Security Trustee for the CDR Lenders (Pledgee). During FY 2016-17, in accordance with the RBI Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme") which was implemented for HCC, as per the terms agreed therein, inter alia the pledge on the aforesaid shares i.e. 20,07,03,600 equity shares of Re.1/- each held by our Company in HCC, was recreated in favour of the same Pledgee, ie. Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and on behalf of the Debenture Trustee for OCD Lenders. Further in terms of the said pledge requirements, on the additional 1,53,20,000 equity shares of Re.1/- each allotted by HCC on 2nd May 2014 to the Company, towards allotment of shares for Promoter Contribution, fresh pledge was created during the year, in favour of Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and held by them on behalf of the Debenture Trustee for OCD Lenders, and hence, the entire 21,60,23,600 equity shares of the Company held in HCC, stood pledged with Universal Trusteeship Services Ltd. During FY 2017-18, HCC has entered into facility agreements for availment of additional working capital facilities from the Lenders for Operations and towards Arbitration Bank Guarantees respectively, and as per the terms agreed therein, Master Pledge Agreement was executed on March 29, 2018, inter alia, by the Company for recreation of pledge on the aforementioned entire 21,60,23,600 equity shares held in HCC on the terms and conditions contained therein, in favour of Universal Trusteeship Services Ltd, the Security Trustee for the CDR Lenders, CLA Lenders, Working Capital Lenders and held by them on behalf of the Debenture Trustee for OCD Lenders.

Further to the facilities availed by HCC under S4A Scheme as per the Master S4A Framework Agreement executed with the Lenders, in respect of additional working capital facilities availed by HCC from the Lenders for Operations and towards Arbitration Bank Guarantees respectively, and as per the terms agreed therein, last Master Pledge Agreement was executed by Hincon Holdings Ltd during the FY 2018-19 for recreation of pledge on its shareholding in HCC.

NOTE 23 : ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC COVID-19

The company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates. The Company expects to recover the carrying amount of trade receivables including investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

NOTE 24 : PREVIOUS YEAR FIGURES HAVE BEEN REGROUPED AND RECAST WHEREVER NECESSARY.

As per our report of even date attached.

For Mehta & Pai
Chartered Accountants
FR No. 113591W

Suresh Mehta
Partner
M. No.032230

Place : Mumbai
Date : August 25, 2020

Ajit Gulabchand Chairman
(DIN : 00010827)

Shalaka Gulabchand Dhawan Vice Chairperson
(DIN : 00011094)

Chandahas Vinod Zaveri Director
(DIN : 03564067)

Notes to Accounts

Note 9 Closing Stock 31-3-2020

Mutual Funds	Opening Stock			Purchases			Sales			Closing					Stock	
	Quantity	Rate	Cost	Quantity	Rate	Total	Quantity	Rate	Total	Quantity	Rate	Cost	Mkt Rate	Mkt Value	Rate to be used	Total
SBI Liquid Fund-Direct-DD	1,320	1,003	1,324,439	17	1,003	16,722	1,337	1,003	1,341,158	-	-	-	-	-	-	-
Kotak Savings Fund-DP-DD	2,015,038	10	20,311,391	37,338	10	377,477	2,052,376	10	20,731,461	-	-	-	-	-	-	-
Kotak Overnight Fund -DDR	-	-	-	21,145	1,004	21,221,217	-	-	-	21,145	1,004	21,221,217	1,004	21,221,217	1,004	21,221,217
SBI Overnight Fund-DP-DD	-	-	-	19,098	1,010	19,287,155	-	-	-	19,098	1,010	19,287,155	1,010	19,287,155	1,010	19,287,155
Total	2,016,358		21,635,829	77,598		40,902,571	2,053,713		22,072,619	40,243		40,508,372		40,508,372		40,508,372

Form AOC-I

Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statements of Associates :

Sr. No.	Name of Associates	Hincon Finance Limited	Hindustan Construction Company Limited
1	Latest Audited Balance Sheet	31-March-2020	31-March-2020
2	Shares of the Associates held by the Company		
	Number of Equity Shares	390,000	216,023,600
	Amount of Investment in Associates	₹ 75 Lacs	₹ 2713 Lacs
	Extent of Holding	48.75%	14.28%
3	Description of how there is significant influence	Significant influence over Share Capital	Significant influence over Share Capital
4	Reason why the associate is not consolidated	Consolidated	Consolidated
5	Total Profit/Loss for the year		
	i. Considered in consolidation	13,630,444	-
	ii. Not Considered in consolidation	-	1,970,280,480

Disclosure as per Schedule III by way of additional information as per general instruction 2 :

The share of associate in the consolidated profit & loss account is as follows :

Sr. No.	Name of Entity	Share of profit or loss	
		As % of consolidated Profit or Loss	Amount (₹ In lacs)
1	Hincon Finance Limited	48.75%	66.45



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