

# COMMEX TECHNOLOGY LIMITED

## 19<sup>th</sup> Annual Report



**Annual Report 2018-2019**

**BOARD OF DIRECTORS**

Mr. Jayant Mitra

Mr. Yeshwant J. Divekar

Mr. Ali Ukani

Mrs. Kavita Pawar

Mr. Mahesh Dharma Doifode

Chairman &amp; Managing Director

Independent Director (resigned on 9th August,2019)

Independent Director

Independent Women Director (resigned on 14.3.2019)

Independent Director (w.e.f 09th August, 2019)

**KEY MANAGERIAL PERSONNEL**

Mr. Ajay Bhaskar Raut

Chief Financial Officer

**AUDITORS**

Mulraj D Gala

Chartered Accountants

B-21, Shanti Niketan,

R.K. Chemburkar Marg,

Chembur, Mumbai-400071

**BANKERS**

ICICI Bank Limited

**REGISTERED OFFICE**

B-401, Unit No. - 42

4th Floor, Vasudev Chamber,

Old Nagardas Road, Andheri (East),

Mumbai - 400069

**REGISTRAR AND SHARE TRANSFER AGENT**

Universal Capital Securities Pvt. Ltd,

21/25,ShakilNiwas

Mahakali Caves, Road,

Andheri (East), Mumbai - 400093

Tel: +91 (22) 28200244

Email: investor@commextechnology.com

Website: www.commextechnology.com

Tel: +91 (22) 2825 764/-28207203-05,

Email:info@unisec.in

Website:www.unisec.in

**CORPORATE IDENTIFICATION NUMBER (CIN):**

L72900MH2000PLC123796

Nineteenth Annual General Meeting on Saturday, 14th day of September, 2019 at 10.00 A.M.  
at Event Banquet Hall, Near Filmistan Studio, S.V. Road, Goregaon (West), Mumbai 400062.

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMMEX TECHNOLOGY LIMITED WILL BE HELD ON SATURDAY, 14TH DAY OF SEPTEMBER, 2019 AT 10.00 A.M. AT EVENT BANQUET HALL, NEAR FILMISTAN STUDIO, S.V. ROAD, GOREGAON (W), MUMBAI:400062 TO TRANSACT THE FOLLOWING BUSINESSES:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the standalone and consolidated Balance Sheet as on 31st March, 2019 and Statement of Profit & Loss Account for the year ended as on that date, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayant Dolatrai Mitra (DIN: 00801211) who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

1. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act (The Act), 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof from time to time and Article of Association of Company, consent of the members be and is hereby accorded to reappoint Mr. Jayant Mitra (DIN: 00801211) as Managing Director of the Company for a period of 2 (Two) years with effect from 14th February, 2019.

RESOLVED FURTHER THAT Mr. Jayant Mitra will be paid a remuneration of Rs.600,000/- p.a. (Rupees Six Lakhs per annum).

RESOLVED FURTHER THAT Mr. Jayant Mitra, be charged with the responsibility of overall business administration of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of section 149,152 and 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the

Companies (Appointment and qualification of Directors) Rules, 2014( including any statutory modification (s) re –enactment thereof for time being in force), Mr.Mahesh Dharma Doifode, in respect of whom the Company has received in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as Independent Director to hold office for a period of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2023.

Date: 09/08/2019

Place: Mumbai

**Registered Office:** B-401, Unit No. – 42, 4th Floor,  
Vasudev Chamber, Opp Wilson Pen Company,  
Old Nagardas Road, Andheri (East), Mumbai: 400069

**By Order of the Board of Directors,**

**Commex Technology Limited,**

**sd/-**

Jayant Mitra

Chairman & Managing Director

DIN: 00801211

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members, Societies, partnership firms, etc. intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. The Annual Report of the Company is also available on the Company's website at [www.commextechnology.com](http://www.commextechnology.com)
5. The Company is concerned with environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India through its circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, has allowed the companies to send official documents to their shareholders electronically as a part of green initiatives in corporate governance. The Company recognizes the spirit of the circular and henceforth proposes to send documents like Notice convening General Meeting, Directors' Report, Auditors' Report etc. to the email address provided by you to the depositories. We request you to update your email address depository participant to ensure that the annual report and other documents reach you on your preferred email.
6. The Register of Members and the Shares Transfer Books of the Company will be closed from **8th September, 2019 to 14th September, 2019** (both days inclusive).
7. The register of Directors Shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the meeting.
8. Members are requested to address all the documents, transfer deeds, demat requests, and other communications with respect to shares in physical mode to the Registrar & Share transfer Agents of the Company, M/s. Universal Capital Securities Private Ltd. directly quoting their full name, Folio No. and Name of the Company.

9. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission / transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar and Transfer Agents.
10. Members holding shares in multiple folios in the identical order of names are requested to consolidate their holdings into one folio and intimate the same to our R&T Agents.
11. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Managing Director at least ten days in advance of the meeting so that the information required can be made readily available at the meeting to the extent possible.
12. Members are requested to intimate all changes pertaining to their Bank details, ECS, mandates, nominations, power of attorney, change of address/notice, etc.:
  - a. To their Depository Participants (DPs) in respect of their electronic share accounts.
  - b. To the Company's Registrar & Share Transfer Agents M/s. Universal Capital Securities Private Ltd. in respect of their physical share folios, if any.
13. Documents referred to in any of the items of the notice are available for inspection at the registered office of the Company up to 7th September, 2019 on all working days, except Sundays, during business hours of the Company.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the shares certificates to R &T, for consolidation into a single folio.
15. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

16. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Depositories.

17. Voting through electronic means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (LODR) Regulation, 2015 the Company is pleased to offer Remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting (AGM) to be held on Saturday, 14th September, 2019 at 10.00 A.M. at Event Banquet Hall, Near Filmistan Studio, S.V. Road, Goregaon (W), Mumbai 400062. Please note that remote e-voting through electronic means is optional. The company is also providing the facility of poll at the meeting by way of ballot.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facilities. The remote e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com).

- The Board of Directors of the Company has appointed Mr. Suhas S Ganpule of M/s. S G Associates, Practising Company Secretary, Mumbai, to conduct and scrutinize the remote e-voting and voting at the 19th Annual General Meeting in a fair and transparent manner.

- The Procedure / Instructions for e-voting are as under:

(i) The voting period begins on Wednesday, 11th September, 2019 at 9:00 A.M. and ends on Friday, 13th September, 2019 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 7th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iv) Click on Shareholders / Members



- (v) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr. no. affixed on Annual Report, in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share

your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of Commex Technology Limited on which you choose to vote.

(v) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(vii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(x) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Date: 09/08/2019**

**Place: Mumbai**

**Registered Office: B-401, Unit No. – 42, 4<sup>th</sup> Floor,  
Vasudev Chamber, Opp Wilson Pen Company,  
Nagardas Road, Andheri (East), Mumbai: 40 0069**

**By Order of the Board of Directors,  
Commex Technology Limited,  
Sd/-  
Jayant Mitra  
Chairman & Managing Director  
DIN: 00801211**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 3**

Mr. Jayant Mitra was appointed as Chairman & Managing Director of the Company on 14th November, 2016 for a period of 2 years. The board of directors in its meeting held on 14th February, 2019 appointed Mr. Jayant Mitra as Managing Director for a further period of 2 years, subject to approval of shareholders.

A notice, in writing, under Section 160 of the Companies Act, 2013 has been received from a Member of the Company signifying his intention to propose Mr. Jayant Mitra as a candidate for the office of Director. Mr. Jayant Mitra's profile is given in the section 'Profile of Directors being appointed' annexed to the Notice.

The Directors are of the opinion that his knowledge and experience will be of benefit to the Company. The Board of Directors, therefore, recommends that the resolution set out at item no.3 of the Notice convening the meeting be approved and passed.

Except Mr. Jayant Mitra, none of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the passing of the resolution set out at item no.3 of the Notice.

**Item No: 4**

Pursuant to the provisions of the section 161 of the Companies Act, 2013, the Board of Directors appointed Mr. Mahesh Dharma Doifode, as additional Director on 9th August, 2019. Board recommends appointment of Mr. Mahesh Dharma Doifode as an Independent Director of the company for a period of 5 years at the ensuing AGM.

Mr. Mahesh Dharma Doifode (DIN:08518066) holds office up to the date of this Annual General Meeting. The Company has received a notice in writing pursuant to section 160 of the act, from him along with a deposit of requisite amount proposing his candidature as Independent Director. The company has received from Mr. Mahesh Dharma Doifode on sent in writing to act as director in form DIR-2 pursuant to Rule 8 of the Companies (appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Act. Mr. Mahesh Dharma Doifode is set out in the section on 'Profile of Directors being appointed' annexed to the Notice.

Except Mr.Mahesh Dharma Doifode, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no.4 of the Notice.

The Board of Directors of your Company recommends the Resolutions for your approval.

None of the Directors are in anyway concerned or interested in the proposed resolution.

**Date: 09/08/2019**

**Place: Mumbai**

**Registered Office: B-401, Unit No. – 42, 4<sup>th</sup> Floor,  
Vasudev Chamber, Opp Wilson Pen Company,  
Nagardas Road, Andheri (East), Mumbai: 40 0069**

**By Order of the Board of Directors,  
Commex Technology Limited,  
Sd/-  
Jayant Mitra  
Chairman & Managing Director  
DIN: 00801211**

**Details of Directors seeking Re-appointment/Re-designation at the Annual general Meeting**

As details require under regulation 36 of SEBI (LODR) regulation, 2015 of particulars of Directors who's shall be appointed or re-appointed at annual general meeting as below.

<b>Particulars</b>	<b>Mr.Jayant Mitra</b>	<b>Mr. Mahesh Doifode</b>
Date of Birth	12/04/1958	01/09/1986
Date of appointment	24/12/2012	09/08/2019
Qualification	M.B.A.	Graduate
Directorship held in other public companies	1 (One)	1(One)
Membership/chairmanship of other public companies	Nil	Nil
Number of share held in the company	100	Nil

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting their Nineteenth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March, 2019.

### 1. Financial Highlights (Standalone and Consolidated) :

The financial highlights of the year under review are as below:

Sr. No.	Particulars	Standalone		Consolidated	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
1.	Income from operations	-	-	-	-
2.	Other Income	-	0.67	-	0.67
3.	<b>Net Total Income (1+ 2)</b>	-	<b>0.67</b>	-	<b>0.67</b>
4.	Employee Benefit Expenses	5.27	8.15	5.27	8.15
5.	Other Expenses	31.14	41.98	13.13	47.68
6.	<b>EBIDTA</b>	<b>(36.41)</b>	<b>(49.46)</b>	<b>(18.40)</b>	<b>(55.16)</b>
7.	Less: Interest and Finance charges	0.03	0.32	0.03	0.32
8.	Less: Depreciation	-	20.97	-	20.97
9.	<b>Profit before Tax &amp; Exceptional Items(6 -7-8)</b>	<b>(36.44)</b>	<b>(70.75)</b>	<b>(18.42)</b>	<b>(76.45)</b>
10.	<b>Exceptional Items</b>	-	<b>(5,570.63)</b>	-	<b>(4,743.61)</b>
	<b>Profit before Tax</b>	<b>(36.44)</b>	<b>(5,641.38)</b>	<b>(18.42)</b>	<b>(4,820.05)</b>
11.	Provision for Tax	-	513.72	-	513.72
12.	Less: MAT Credit Entitlement	--	--	--	--
	Deferred Tax	--	--	--	--
13.	<b>Net Profit after tax (9-10)</b>	<b>(36.44)</b>	<b>(6,155.12)</b>	<b>(18.42)</b>	<b>(5,333.78)</b>
14.	Extra Ordinary Items	--	--	--	--
15.	<b>Net Profit/(Loss) for period (11-12)</b>	<b>(36.44)</b>	<b>(6,155.12)</b>	<b>(18.42)</b>	<b>(5,333.78)</b>
16.	Less: Minority Interest		-		--
17.	Paid up Equity Share Capital (Face value INR2/- per share)	3,380.76	3,380.76	3,380.76	3,380.76
18.	<b>Earning Per Shares (Basic)</b>	<b>(0.02)</b>	<b>(3.97)</b>	<b>(0.01)</b>	<b>(3.44)</b>

**2. DIVIDEND:**

In the view of accumulated Losses, Board of Directors of the Company does not recommend any dividend for the year under consideration.

**3. AMOUNT TRANSFERRED TO RESERVES:**

On account of accumulated losses no amount is transferred to General reserves for the financial year 2018 - 2019.

**4. PERFORMANCE REVIEW:**

On consolidated basis, revenue from operations for both the years was Nil. EBIDTA (Earnings before Interest, Taxes, Depreciation and Amortization) amounted to INR **(36.41)** in the current year and (INR **(49.46)** lakhs in the previous year), Profit before Tax (PBT) is INR **(36.44)** Lakhs in current year and (INR **(5641.38)** Lakhs in the previous year), Profit after Tax (PAT) INR **(36.44)** Lakhs in the current year and INR **(6,155.12)** Lakhs in the previous year.

**5. CHANGE IN NATURE OF BUSINESS, IF ANY:**

During the year under review the Company or its subsidiaries did not carry on any business activities.

**6. SUBSIDIARY AND ASSOCIATE COMPANIES:**

- As on 31st March, 2019 the company has the following subsidiaries/associate companies
  1. IT Capital Services Pvt. Ltd.- Subsidiary Company
  2. Orient Information FZ-LLC-UAE- subsidiary Company
  3. Universal Commodity Exchange Limited- Associate Company

There is no business activity in the Subsidiary and/or the Associate Company during the year under review and the Associate Company, Universal Commodity Exchange Limited, has been struck off by the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries and associate companies in Form AOC – 1 is attached to the financial statements of the Company.

**7. CHANGES IN SHARE CAPITAL:**

During the year under review, there was no change in the Authorised or Paid up Share Capital of the Company.



**8. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required by Section 134 (5) of the Companies Act, 2013 the Directors hereby state that:

a. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any ;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2019 and profit for the year ended on that date;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the accounts have been prepared for the financial year ended 31st March, 2019 on a going concern basis.

e. Internal Financial Controls to be followed by the Company have been laid down, and the said Internal Financial Controls are adequate and are operating effectively and;

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

**9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

None of the Director has been appointed during the financial year 2018 – 2019. from Ms. Kavita Pawar resigned to the Directorship of the Company with effect from 14th March, 2019.

Mr. Jayant Dolatrai Mitra, Executive Director, is liable to retire by rotation at the ensuing AGM, pursuant to Section 152 and other applicable provision, if any, of the Companies Act, 2013, the Article of Association of the Company and being eligible have offered himself for re-appointment. Appropriate resolution for his re-appointment is being placed for the approval of the shareholders of the Company at the ensuing AGM. The brief resume of the Director recommend their re-appointment as Executive Director of the Company.

None of the Directors are disqualified from being appointed as specified in Section 164 of the Companies Act, 2013 as amended.

**Formal Annual Evaluation:**

In terms of the provisions of the Act, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee (NRC).

**Remuneration Policy:**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

**10. DISCLOSURE OF PECUNIARY RELATIONSHIP:**

There was no pecuniary relationship or transactions of the non-executive directors vis- a- vis the company during the year. Also, no payment, except sitting fees, was made to any of the non-executive directors of the Company. No convertible instruments are held by any of the non-executive directors of the Company.

**11. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of Companies Act, 2013 read with Rules and Regulation 16(1) (b) of SEBI (Listing Obligation and disclosure requirements) Regulation, 2015 with the Stock Exchanges.

**12. NUMBER OF MEETINGS OF THE BOARD:**

During the financial year 2018-19, six meetings of the Board of Directors were held. For details of the Board meetings please refer to the Corporate Governance forming part of the Board's Report.

**13. STATEMENT ON ANNUAL EVALUATION OF BOARD, COMMITTEE AND ITS DIRECTORS:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of Section 134 (3) (p) of the Companies Act, 2013 read with Rule 8(4) of The Companies (Accounts) Rules, 2014 and the corporate governance requirements as prescribed by SEBI (LODR) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, transparency, adhering to good corporate governance practices etc.

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

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, leadership quality, attitude, initiatives decision making, commitment, achievements etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors held on 14th February, 2019, reviewed performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The meeting also assessed the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform its duties.

#### **14. NOMINATION AND REMUNERATION POLICY:**

In terms of Section 178 (3) of the Companies Act, 2013 and Regulation 18 and Schedule II and Schedule V of the SEBI (LODR) Regulations, 2015 entered in to with the stock exchange, a policy on Nomination and Remuneration of Directors and Senior Management Employees including, inter alia, criteria for determining qualifications, positive attributes and independence of directors was formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors. The said policy is also posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its weblink [ishttp://www.commextechnology.com/download/policy/nomination\\_and\\_remuneration\\_policy\\_commex.pdf](http://www.commextechnology.com/download/policy/nomination_and_remuneration_policy_commex.pdf)

#### **15. INTERNAL FINANCIAL CONTROLS:**

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

**16. AUDIT COMMITTEE:**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

**17. AUDITORS:****Statutory Auditors**

M/s. Mulraj D. Gala, Chartered Accountant, appointed as statutory auditors in the eighteenth Annual General Meeting continue as statutory auditors until the conclusion of 23rd Annual General Meeting.

**Secretarial Auditors**

Vijay S. Tiwari & Associates, Practicing Company Secretaries, Mumbai was appointed to conduct the Secretarial Audit of the Company for the financial year 2018 –19 as required under Section 204 of the Companies Act, 2013 and rules made thereunder.

**18. SECRETARIAL AUDIT REPORT:**

In terms of Section 204 (1) of the Companies Act, 2013, a Secretarial Audit Report is annexed as Annexure A of the Directors' Report.

**EXPLANATION AND COMMENTS BY THE BOARD ON QUALIFICATION/ RESERVATION/ ADVERSE REMARK / DISCLAIMER MADE IN AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:**

a. As reported by the Auditors in their Report, the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred net loss/net cash loss during the year ended March 31, 2019 and the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The management of the Company is under the process of talks with various interested business groups and entities to revive the operations of the Company and the Management is confident of effecting a revival by the end of the ensuing financial Year 2019-20. Hence, the negative networth is only a temporary phenomenon and the management is confident that the losses will be wiped out in a couple of years from the year of revival.

b. As reported by the Auditors in their Report, The Company has not filed annual returns with Registrar of Companies as required under Companies Act, 2013 for financial years 2016-2017 and 2017-18.

As can be observed from our earlier reports, the Company has several irregularities in the form of non-compliances due to circumstances beyond the control of the present Management. However the Company has completed the filing of Annual Returns on MCA as on date.

c. As reported by the Auditors in their Report, the Company has not made provisions for Gratuity during the year under review.

The Company has only three employee as on the date of the Balance Sheet and the amount of gratuity is not material or significant. However, if necessary, the same will be provided for in the books in the current financial year.

d. As reported by the Auditors in their Report, the Company has not appointed a full time Company Secretary.

As can be observed from our earlier reports, Company's Company Secretary has resigned and the management of the Company is unable to find a suitable candidate or professional for the position, as no candidate is available or is willing to take up the appointment for the position of Company Secretary, as the Company is not in operation and its financial position is in a very bad shape. However, the Company has appointed an external agency as Company Secretarial Consultants, to carry out various compliances.

e. As reported by the Auditors in their Report, the Company has not evaluated whether any impairment provision is required for expected credit losses (ECL) in accordance with Ind AS 109 - 'Financial Instruments' for Trade Receivables aggregating to Rs. 282.12 Lakh.

Trade Receivables aggregating to Rs. 282.12 Lakh as disclosed in the Balance Sheet as on 31-3-2019 is from the debtors of the Company, who are genuine and the amount of outstanding is undisputed. As the Company does not have a set up in the country of the Debtor, the Company is unable to obtain confirmations or any other documents to prove genuinity of the outstanding. Hence, in the opinion of the Management of the Company, no impairment provision is required for expected credit losses (ECL) in accordance with Ind AS 109 - 'Financial Instruments' for Trade Receivables.

- Secretarial Auditor's report has given following remarks:

**1. The Company had a VAT Liability of Rs. 110.22 Lakhs (excluding interest and penalty) during the year.** The said liability for VAT is not genuine and was raised by the Authorities without giving proper opportunity to the Company for representing itself before them. The Company is in the process of getting the demand withdrawn by the Authorities.

**2. The consolidation of the financials of Universal Commodity Exchange Limited, an associate Company, with the company is not done** since Universal Commodity Exchange Limited has been dormant and has been directed by FMC to suspend its operations. In view thereof the Accounts of Universal Commodity Exchange Limited are not compiled and audited and therefore the same could not be considered while consolidating accounts. We may further add that the said name of the Company has been stuck off by the Registrar of Companies Maharashtra.

**3. The Company has not filed its Income Tax Returns from the Financial Year 2013.**

As informed in earlier paragraphs, the present management had not complied with several statutory compliances due to circumstances beyond the control of the present management. However, slowly and steadily it has commenced the process of compliances. We may inform that Income Tax Returns are time barred under the Income Tax Act, 1961 till the FY 2017-18. The Company can file returns only for the year under review, which will be done in due course.

**4. As per the provision of Section 138 of the Companies Act, 2013 and the rules made thereunder, the Company was required to appoint an Internal Auditor for the Financial Year 2018- 19.** As stated elsewhere in the response of the Management, the Company has not carried on any business operations since 2016. Hence, there are no business transactions requiring internal controls and/or internal audit. Besides, the Company is unable to find a suitable candidate willing to join the Company for this position.

**5. The Company Secretary resigned on 8th October, 2016. Since then the Company has not appointed Company Secretary as per the provision of Section 203 of the Companies Act, 2013 and the rules made thereunder.**

As can be observed from our earlier reports, Company's Company Secretary has resigned and the management of the Company is unable to find a suitable candidate or professional for the position, as no candidate is available or is willing to take up the appointment for the position of Company Secretary, as the Company is not in operation and its financial position is in a very

bad shape. However, the Company has appointed an external agency as Company Secretarial Consultants, to carry out various compliances.

**6. The Company has not filed requisite forms such as MGT-14 and DIR-12 for the year 2017-18.** The Company is in process of filing the same.

**7. The Company has made provision for CSR expenditure under Section 135 but the same remains unspent under CSR activity.** As there is no business the CSR expenditure remains unspent. The board is in process of meeting the compliance

**8. The Company has Service Tax Liabilities approx of Rs. 35.59 Lakhs.** The said liability for Service Tax is not genuine and was raised by the Authorities without giving proper opportunity to the Company for representing itself before them. The Company is in the process of getting the demand withdrawn by the Authorities.

**9. The composition of Board of Directors is not as per the Listing requirements.** The board is in process of appointing the directors for the same.

**10. The shareholding of promoter & promoter group has been frozen as per SEBI Regulations.** The Management is taking steps for regularizing the same.

**11. The Company has received a Show Cause Notice (SCN) dated 23rd March, 2017 from Income Tax Department under Section 263 of Income Tax Act, 1961.**

We may inform you that the Company has appointed Income Tax Consultants to handle various Tax issues and has preferred appeals in all the matters of demands raised against the Company. The above matter is also attended to by the said Consultant.

**12. The Company has received a Show Cause Notice (SCN) dated 21st June, 2017 from SEBI towards GDR issue of the Company for the period 1st May, 2009 to 30th June, 2009.**

As stated above, we may inform you that the Company has appointed Income Tax Consultants to handle various Tax issues and has preferred appeals in all the matters of demands raised against the Company. The above matter is also attended to by the said Consultant.

### **13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**14. TRANSACTIONS WITH RELATED PARTIES:**

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in “Annexure B” in Form AOC-2 and the same forms part of this report.

The Board of Directors of the Company had formulated a policy on related party transactions and materiality of Related Party Transactions in terms of Regulation 23 of SEBI (LODR) Regulations, 2015. The said policy is posted on the website of the Company, [www.commextechnology.com](http://www.commextechnology.com) and its weblink is:

[http://www.commextechnology.com/download/policy/Policy\\_for\\_determining\\_material\\_subsidiary\\_of\\_the.pdf](http://www.commextechnology.com/download/policy/Policy_for_determining_material_subsidiary_of_the.pdf)

[http://www.commextechnology.com/download/policy/policy\\_on\\_related\\_party\\_transaction\\_and\\_materiality\\_of\\_related\\_party\\_transaction.pdf](http://www.commextechnology.com/download/policy/policy_on_related_party_transaction_and_materiality_of_related_party_transaction.pdf)

**15. CORPORATE SOCIAL RESPONSIBILITY:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in “Annexure C” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The said policy is posted on the website of the Company, [www.commextechnology.com](http://www.commextechnology.com) and its web link is: [http://www.commextechnology.com/download/policy\\_on\\_corporate\\_social\\_responsibility.pdf](http://www.commextechnology.com/download/policy_on_corporate_social_responsibility.pdf)

**16. EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return in Form MGT-9 for the Financial Year 2018– 2019 is available on the Company website and its weblink is <http://www.commextechnology.com/download/MGT-9>.

**17. PARTICULARS OF EMPLOYEES:**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i. Employee of the Company employed throughout the financial year, who was in receipt of remuneration for that year which, in the aggregate, not less than rupees sixty lakhs: NIL



ii. Employee of the Company employed for a part of the financial year, who was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month : NIL

iii. Employee of the Company employed throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: NIL

Further Managing Director of the Company is not getting any commission from the Company or from any of its subsidiaries.

The company complied with Section 197 of the Companies Act, 2013 read with rule 5 (2) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014.

#### **18. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS:**

During the year under review, the Company has not issued any shares with differential voting rights.

#### **19. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTION SCHEME:**

During the year under review, no option under 'Employee Stock Option Scheme' was granted or vested to any employee or directors of the Company.

#### **20. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:**

During the year under review, the Company has not issued any Sweat Equity Shares.

#### **21. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

As there is no business, there have not been any material changes and commitment affecting the financial position of the Company during the financial year 2018-19.

#### **22. DISCLOSURE REQUIREMENTS:**

- Pursuant to the provisions of Schedule IV to the Companies Act, 2013 ("the Act") and Schedule V of SEBI (LODR) Regulations, 2015 Terms and Conditions for Appointment of

Independent Directors are posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its web link is:

[http://www.commextechnology.com/download/policy/terms\\_and\\_conditions\\_for\\_appoinment\\_of\\_independent\\_directors.pdf](http://www.commextechnology.com/download/policy/terms_and_conditions_for_appoinment_of_independent_directors.pdf)

- Details of the familiarisation programme of the Independent Directors is posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its web link is:

[http://www.commextechnology.com/download/policy/familiarisation\\_programme\\_for\\_independent\\_directors.pdf](http://www.commextechnology.com/download/policy/familiarisation_programme_for_independent_directors.pdf)

- Whistle Blower Policy/ Vigil Mechanism: The Company has established a Vigil Mechanism for directors and employees to report genuine concerns. The vigil mechanism provide for adequate safeguards against victimization of person who use Vigil Mechanism and also provide for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The details of Vigil Mechanism is displayed on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its web link is:

[http://www.commextechnology.com/download/policy/whistle%20blower\\_policy\\_vigil\\_mechanism.pdf](http://www.commextechnology.com/download/policy/whistle%20blower_policy_vigil_mechanism.pdf)

- The policy for determining material subsidiary of the company pursuant to Regulation 24 of SEBI (LODR) Regulations, 2015 is posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its web link is:

[http://www.commextechnology.com/download/policy/Policy\\_for\\_determining\\_material\\_subsidary\\_of\\_the.pdf](http://www.commextechnology.com/download/policy/Policy_for_determining_material_subsidary_of_the.pdf)

- Policy on dealing with related party transactions is posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its web link is:

[http://www.commextechnology.com/download/policy/policy\\_on\\_related\\_party\\_transaction\\_and\\_materiality\\_of\\_related\\_party\\_transaction.pdf](http://www.commextechnology.com/download/policy/policy_on_related_party_transaction_and_materiality_of_related_party_transaction.pdf)

- As per Schedule V of the SEBI (LODR) Regulations, 2015 entered into with the Stock Exchange, Corporate Governance Report with auditors' Certificate and Management Discussion and Analysis are attached, which forms part off this report.

**23. DEPOSITS FROM PUBLIC:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

**24. INFORMATION REQUIRED UNDER RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 - CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**
**a) Conservation of Energy & b) Technology Absorption:**

The activities of your company require minimal energy consumption and every endeavour has been made to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible.

At present there are no business activities and do not involve technology absorption and research and development.

**c) Foreign exchange earnings and outgo:**

The details of Foreign exchange earnings and outgo are detailed in Note No. 20 forming part of Accounts.

**25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE: Not Applicable**
**26. DISCLOSURES RELATING TO UNCLAIMED SUSPENSE ACCOUNT AS PER AMENDED CLAUSE 5A OF THE LISTING AGREEMENT:**

Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year
NIL	NIL	NIL	NIL

**27. IMPLEMENTATION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company is not required to constitute Internal Complaints Committee of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Act, 2013 as the permanent employees are less than 10. Further there are no instances of Sexual Harassment of Women under the said Act has been reported to the Company.

**28. EMPLOYEE RELATIONS:**

The relations of the management with staff and workers remained cordial during the entire year.

**29. ACKNOWLEDGEMENT:**

The Directors thank the Company's shareholders, employees, customers, vendors, investors and academic institutions, government for their continuous support and co-operation. The Directors appreciate and value the contributions made by every member of the Commex family.

**By Order of the Board of Directors,**

**Sd/-**

**Jayant Mitra**

**Chairman & Managing Director**

**DIN: 00801211**

**Annexure A****Form No. MR-3  
Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
For the Financial Year ended 31st March, 2019

**To,  
The Members,  
Commex Technology Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Commex Technology Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the company during the audit period).
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period).
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- V. Other applicable laws are as under:
- The Information Technology Act, 2000.
  - The FEMA Act, 1999.

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

- a) Secretarial Standards by the Institute of Company Secretaries of India.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., except the following:

- 1. The Company had a VAT Liability of Rs. 110.22 Lakhs (excluding interest and penalty) during the year. The said liability for VAT is not genuine and was raised by the Authorities without giving proper opportunity to the Company for representing itself before them. The Company is in the process of getting the demand withdrawn by the Authorities.**
- 2. The consolidation of the financials of Universal Commodity Exchange Limited, an associate Company, with the company is not done since Universal Commodity Exchange Limited has been dormant and has been directed by FMC to suspend its operations. In view thereof the Accounts of Commodity Exchange Limited are not compiled and audited and therefore the same could not be considered while consolidating accounts. We may further add that the said name of the Company has been stuck off by the Registrar of Companies Maharashtra.**
- 3. As informed in earlier paragraphs, the present management had not complied with several statutory compliances due to circumstances beyond the control of the**

present management. However, slowly and steadily it has commenced the process of compliances. We may inform that Income Tax Returns are time barred under the Income Tax Act, 1961 till the FY 2017-18. The Company can file returns only for the year under review, which will be done in due course..

4. As per the provision of Section 138 of the Companies Act, 2013 and the rules made thereunder, the Company was required to appoint an Internal Auditor for the Financial Year 2018- 19. However, the Company has not appointed Internal Auditor for the financial year 2018-19.
5. The Company Secretary resigned on 8th October, 2016. Since then the Company has not appointed Company Secretary as per the provision of Section 203 of the Companies Act, 2013 and the rules made thereunder, till date.
6. The Company has not filed requisite forms such as DIR-12 and MGT-14 for the year 2017-18.
7. The Company has made provision for CSR expenditure under Section 135 but the same remains unspent under CSR activity.
8. The Company has Service Tax Liabilities approx of Rs. 35.59 Lakhs.
9. The composition of Board of Directors is not as per the Listing requirements.
10. The shareholding of promoter & promoter group has been frozen as per SEBI Regulations.
11. The Company has received a Show Cause Notice (SCN) dated 23rd March, 2017 from Income Tax Department under Section 263 of Income Tax Act, 1961.
12. The Company has received a Show Cause Notice (SCN) dated 21st June, 2017 from SEBI towards GDR issue of the Company for the period 1st May, 2009 to 30th June, 2009.

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority of the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

- i. Public / Rights / debentures /sweat equity.
- ii. Buy-Back of securities.
- iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations

This Report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this Report.

**For Vijay S. Tiwari & Associates,**

**Company Secretaries**

**Sd/-**

**Vijay Tiwari**

**Proprietor**

**Membership No: 33084**

**C. P No: 12220**

**Date: 09.08.2019**

**Place: Mumbai**



**Annexure A to the Secretarial Audit Report**

To,  
The Members,  
**Commex Technology Limited.**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

**For Vijay S. Tiwari & Associates,  
Company Secretaries**

**Sd/-**

**Vijay Tiwari**

**Proprietor**

**Membership No: 33084**

**C. P No: 12220**

**Date: 09.08.2019**

**Place: Mumbai**

**ANNEXURE B**
**Form No. AOC-2**

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

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

I. Details of contracts or arrangements or transactions not at arm's length basis: Commex Technology Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2018-19.

II. Details of material contracts or arrangement or transactions at arm's length basis:

Commex Technology Limited has not entered into any contract or arrangement or transaction during the year with its related parties. Further details of ongoing transactions with related parties are disclosed in notes to accounts forming part of the Financial Statement.

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

Sr no	Particular	Details
1	Name (s) of the related party & nature of relationship	Jayant Mitra
2	Nature of Contact /Arrangement/ Transaction	Remuneration
3	Duration of Contract	As per appointment letter
4	Silent feature of the Contract or arrangement or transaction	As per appointment letter
5	Date of approval by the board	NA
6	Nature of relation	Managing Director of the Company
7	Amount	6,00,000

**By Order of the Board of Directors,**

**Sd/-**

**Jayant Mitra**

**Chairman & Managing Director**

**DIN: 00801211**

**ANNEXURE C****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & waterconservation. Also embedded in this objective is support to the disadvantaged/marginalized cross section of the society by providing opportunities to improve their quality of life.

Details of the CSR policy is posted on the website of the Company [www.commextechnology.com](http://www.commextechnology.com) and its weblink is: [http://www.commextechnology.com/download/policy\\_on\\_corporate\\_social\\_responsibility.pdf](http://www.commextechnology.com/download/policy_on_corporate_social_responsibility.pdf)

1. The composition of the CSR committee: It comprises of Mr. Ali Ukani, Chairman of the Committee, Mr. Y.J. Divekar and Mr. Jayant Mitra are the Members.
2. The Company has no profit since last three financial years for the purpose of computation of CSR.
3. Prescribed CSR Expenditure NIL\*
  - a. Total amount to be spent for the financial year: Nil
  - b. Amount unspent: -Nil

\*\*INR 8,46,813/-for the year 2015-16 remains unspent as on date.

4. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

**By Order of the Board of Directors,**

**Sd/-**

**Jayant Mitra**

**Chairman & Managing Director**

**DIN: 00801211**

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### A. Industry Structure and developments and India's Economic Outlook:

While India's macroeconomic outlook for FY 2018-2019 remained favorable but it is important that we understand massive economic change that our country has witnessed with the introduction of Goods & Services Tax (GST). Considered as one of the most crucial economic reforms,

GST in IT sector will attract 18% on software services provided by software companies. For purely software services, the cost of such services will increase under GST.

Companies must ensure there is seamless coordination between their tax experts and technology teams to accommodate the complexities of calculating GST.

Every Fintech company has been vying with the other to develop a GST software. GST has impacted these companies positively, by opening up newer markets, pan India. On the export front, India is the biggest exporter of IT services. Introduction of GST means that exports are zero rated and input taxes paid will be allowed as refund.

The typical IT/ ITES services which come under the default rule will be software development, BPO operations, software consultancy, etc. Apart from these, this rule will also apply to other services like software support/ maintenance and intermediary services as there are no exceptions under GST. Freelancers offering software services such as designing, app development, website designing etc., earlier paid a service tax of 15%. This has now increased to 18% under GST.

### Opportunities and Threats

#### • Opportunities:

India, in the recent years, is witnessing higher investments in infrastructure activities, so the atmosphere is expected to be more conducive in the time to come. Other opportunities include state-of-the-art In-house Technology Bandwidth, deep domain expertise and a nationwide reach.

#### • Threats:

1. Significant competition from Indian and Foreign companies operating in the similar segment.
2. Changes in governing laws may adversely affect the business operations.
3. Liquidity budgets and newer offerings could get duplicated by existing competitors.
4. Increased competition could result in pressure on pricing and commoditization of some services.

**B. Internal control systems and their adequacy**

The Company has in place the internal control systems and procedures, internal policies and statutory guidelines.

**C. Discussion on Financial performance with respect to operational performance:**

Due to the financial crises and other certain unavoidable circumstances, the Company's turnover for the financial year ended on 31st March, 2019 is INR Nil as similar to the turnover for the previous financial year. There has been no business in the company since 2 years.

**D. Human Resource Development**

There were 3 employees as on 31st March, 2019.

**E. Cautionary Statement:**

Statements contained in the Management Discussion and Analysis describing the Company's estimates, projections and expectations are forward looking statements and based upon certain assumptions and expectations of future events over which the Company has no control and which could cause actual results to differ materially from those reflected in such statements. Readers should carefully review other information in this Annual Report and in the Company's periodic reports. The Company undertakes no obligation to update or revise any of these futuristic statements, whether as a result of new information, future events, or otherwise.

## **REPORT ON CORPORATE GOVERNANCE**

(As required under schedule v (c) of the SEBI (LODR) Regulations, 2015 entered into with stock exchange)

Your Board of Directors present the Corporate Governance Report for the year 2018-2019 based on the disclosure requirements under Schedule V (C) of the SEBI (LODR) Regulations, 2015 with the Stock Exchange existing as of 31st March, 2019.

### **MANDATORY REQUIREMENT**

#### **A. Company's Philosophy on Code of Corporate Governance:**

The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. The Company believes in high degree of transparency and accountability in its business operations and business practices and continues to adopt all measures to enhance its level.

The Company respects the rights of all its stakeholders to information on the performance of the Company. The Company has adopted a Code for Corporate Disclosure Practice for Prevention of Insider Trading. The Company is committed to maintain high standard of corporate governance towards its shareholders, Government, clients, employees and society.

#### **B. Composition of the Board of Directors:**

1. Board has an optimum combination of Executive and Non-Executive Directors, and is in conformity with SEBI (LODR) Regulations, 2015 entered with the Stock Exchange in which the Company's Ordinary Equity Shares are listed. As on 31st March, 2019 the composition of the Board and other related information are as given in the table below.

2. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors. None of the directors are related to each other.

3. Independent directors are non-executive directors as defined under Regulation 17 of SEBI (LODR) Regulations, 2015 entered into with the Stock Exchange. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under the SEBI (LODR) Regulation, 2015 and Section 149 of the Act.

4. In advance of each meeting the Board is presented with all relevant information of various matters relating to the working of the Company, especially those that requires deliberations at the highest level. Directors have separate access to senior management at all times. In addition to items which are required to be placed before the Board for its noting or approval, information is provided on various significant items.

To enable the Board, to discharge its responsibilities effectively, the Members of the Board are briefed at every Board meeting on the overall performance of the Company. The minutes of the Board meeting are circulated in advance to all Directors and confirmed at the subsequent Board meeting.

5. To enable the Board, to discharge its responsibilities effectively, the Members of the Board are briefed at every Board meeting on the overall performance of the Company. The minutes of the Board meeting are circulated in advance to all Directors and confirmed at the subsequent Board meeting.

Name	Category	No. of Board meeting attended during the year 18-19	Whether Attended last AGM	Directorships and Chairmanships/ Memberships in Other Public Companies		
				No. of Directorships	Committee Positions	
		Board	General		Member	Chairman
Mr. Jayant Mitra	Managing Director, Executive Director	6	Yes	1	4	0
Mr. Ali Ukani	Independent, Non – Executive Director	6	No	0	0	0
Mr. Yeshwant Divekar	Independent, Non – Executive Director	6	No	0	0	0
Mrs. Kavita Pawar	Independent, Non – Executive Director	5	Yes	5	0	0

6. Number of board meeting held and dates of board meeting:

During the financial year 2018-2019, the board of directors met Six(6) times as under:

30.05.2018	24.07.2018	14.08.2018
14.11.2018	14.02.2019	14.03.2019

7. During the year 2018-2019, information as mentioned in part A of schedule II of SEBI listing regulations, has been placed before the board for its consideration.

8. During the year 18-19, independent director meeting held on 14th February, 2019 to review performance of non-independent directors, and the boards as whole.

9. Details of equity shares of the Company held by directors as on 31st March, 2019 are given below:

Name	Category	No. of shares held
Mr. Jayant Mitra	Managing Director	100

### C. Committees of the Board

1. There are 4 committees of the Board which are as follows:

Name of the Committee	Extract of terms of reference	Category & Composition		Other details
		Name	Category	
Audit Committee	Committee is constituted in line with provisions of Regulation 18 of SEBI listing regulations, read with section 177 of the Act. 1) Oversight of financial Reporting 2) Reviewing with the Management, the annual financial statement and auditor's report thereon before submission to the board for approval. 3) Evaluation of	Mr. Ali Ukani	Chairman, Non-executive(Independent Director)	1.Audit committee meetings during the year and the gap between two meetings did not exceed 120 days.  2. Quarterly reports are sent to the members of committee on matter relating insider trading.
		Mr. Jayant Mitra	Executive Director	
		Mr. Yeshwant Divekar	Non-executive(Independent Director)	
		Mr. Kavita Pawar	Non-executive(Independent	



	<p>internal financial control and risk management systems.</p> <p>4) Recommendation for appointment remuneration and terms of appointment of auditors of the Company</p> <p>5) Approve Policies in relation to the implementation of insider trading code to supervise implementation of the same.</p>		<p>t Director)</p>	
<p>Nomination &amp; Remuneration Committee</p>	<p>Committee is Constituted in line with the provision of regulation 19 of SEBI listing regulations, read with section 178 of the Act,</p> <p>1) Recommend to the board the setup and composition of the Board and its committees</p> <p>2) Recommend to the board the appointment /Re-</p>	<p>Mr. Ali Ukani</p>	<p>Chairman, Non-executive(Independent Director)</p>	<p>1) — Nomination and remuneration committee meeting were held during the year 2017-2018.</p> <p>2) Details of performance evaluation criteria and remuneration policy are available Company website.</p>
		<p>Mr. Yeshwant Divekar</p>	<p>Non-executive(Independent Director)</p>	
		<p>Mr. Kavita Pawar</p>	<p>Non-executive(Independent Director)</p>	

	<p>appointment of directors and key managerial personal</p> <p>3) Carry out evaluation of every director's performance and support the board and independent directors in evaluation performance of board, its committees and individual directors.</p> <p>4) Recommend to the board the remuneration policy for directors, executive team or KMP as well as the rest of employees.</p>			
Stakeholders relationship committee	<p>Committee is constituted in line with the provision of regulation 20 of SEBI listing regulation read with section 178 of the Act.</p> <p>1) Consider and resolve the grievances of security holders.</p>	Mr. Ali Ukani	Chairman, Non-executive(Independent Director)	1) Two meeting of the stakeholders relationship committees was held during the year, meeting date mentioned in below.
		Mr. Jayant Mitra	Executive Director	
		Mr. Yeshwant Divekar	Non-executive(Independent Director)	

	2) Consider and approve issue of share certificate, issue duplicate share certificates etc.	Mr. Kavita Pawar	Non-executive (Independent Director)	
Corporate Social Responsibility Committee ("CSR")	Committee is constituted in line with the provision of section 135 of the Act, 1. Formulate and recommend to the board, a CSR policy indicating the activities to be undertaken by the company as specified in Schedule VII of the Act. 2. Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR policy	Mr. Ali Ukani	Chairman, Non-executive (Independent Director)	
		Mr. Jayant Mitra	Executive Director	
		Mr. Yeshwant Divekar	Non-executive (Independent Director)	
		Mr. Kavita Pawar	Non-executive (Independent Director)	

### III Details of the Remuneration for the year ended 31, 2019

#### a) Non-Executive Director

Name	Commission	Sitting fees/professional fees
Mr. Yeshwant Divekar	Nil	Nil
Mrs. Kavita Pawar	Nil	20,000
Mr. Ali ukani	Nil	Nil
Mr. Jayant Mitra	Nil	Nil

**b) Managing Director and Executive Director**

Name of director	Salary	Benefits, perquisites and allowances
Mr. Jayant Mitra Managing Director	600,000	Nil

**IV. Number of Meeting held and attendance records**

Name of committee	Audit Committee	Nomination and Remuneration Committee	Stakeholders relationship committee	Corporate responsibility committee	Independent meeting
Date on which meeting were held	Five meeting held on 30 <sup>th</sup> May, 2018, 24 <sup>th</sup> July, 2018, 14 <sup>th</sup> August, 2018, 14 <sup>th</sup> November, 2018 and 14 <sup>th</sup> February, 2019.	One meeting held on 14 <sup>th</sup> August, 2018	Meeting held on 14 <sup>th</sup> August, 2018, 14 <sup>th</sup> November, 2018 and 14 <sup>th</sup> February, 2019	One meeting held on 14 <sup>th</sup> August, 2018	One Meeting on 14 <sup>th</sup> February, 2019
<b>Attended</b>					
Name of Director					
Mr. Jayant Mitra	5	1	4	1	0
Mr. Ali Ukani	2	1	2	1	1
Mr. Yashwant Divekar	5	1	4	1	1
Mrs. Kavita Pawar	5	1	4	1	1

**Note:**

The various board Committee's were reconstituted as per SEBI listing regulations as applicable.

**V. General Body meeting.**
**i. General meeting**
**a. Annual general meeting (AGM):**

Financial year	Date	Time	Venue
2015-16	30/09/2016	10.00 A.M	Event Banquet hall, Near Filmistan Studio, S.V Road, Goregaon(west), Mumbai-400062.
2016-17	21/09/2017	10.00 A.M.	
2017-18	29/09/2018	10.00 A.M.	

**VI. Other Disclosure**

Particulars	Regulations	Details
Related party transaction	Regulation 23 of SEBI listing regulations and as defined under the Act.	All Material transactions entered into with related parties during the financial year were in the Normal course of business and approved by the audit committee. The board approved policy for Related Party Transactions is uploaded on the website of the Company.
Whistle blower policy and vigil mechanism	Regulation 22 of SEBI listing regulation	The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees to report concern about unethical behaviour.
Policy on preservation documents	Regulation 9 of SEBI listing regulation	The Company has adopted a policy on preservation of documents
Reconciliation of share capital audit	Regulation 55A of the SEBI(Depositories and Participants) regulations,1996	A Qualified Practicing Company secretary carried out a share capital audit to reconcile the total admitted equity share capital with "NSDL" and "CDSL" and the total issued and listed equity share capital. The audit report is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL, CDSL
Code of Conduct	Regulation 17 of SEBI Listing regulations	The Members of the board and senior management personnel have affirmed compliance with the code of conduct applicable to them during the year ended march 31, 2017. The annual report of the company contain a certificate by the managing director, on the compliance declarations received from independent directors.

**VII. General Shareholders Information**
**A) Annual general meeting for F.Y 2018-2019**

Particulars	Details
Date	14 <sup>th</sup> September, 2019
Time	10.00 A.M
Venue	Event Banquet hall, near filmistan studio, S.V Road, Goregaon(west), Mumbai-400062.
Particulars of Directors seeking appointment/re-appointments at the ensuring AGM as required regulations 36(3) of the SEBI Listing regulation, 2015	As details attached in AGM notice
Financial calendars	March 31

AGM in	September
Dividend payment	Nil
Date of Book Closure/ record date	As mentioned in notice of the AGM to be held on 14 <sup>th</sup> September, 2019.
Listing on stock exchange	<b>BSE Limited("BSE")</b> 25 <sup>th</sup> Floor, P.J Towers, Dalal Street, Mumbai -400001. <b>Metropolitan Stock Exchange of India Ltd(MSEI)</b> Vibgyor towers, 4 <sup>th</sup> floor, plot no C 62, G-block, opp. Trident hotel, bandrakurla complex, Bandra (East),Mumbai-400098.
Stock Codes/Symbol- BSE	539196
Stock Codes/symbol-MSEI	COTL
Listing fees BSE	As applicable have been paid
Listing Fees MSEI	
Corporate Identity number(CIN) of the Company	L72900MH2000PLC123796

**B). Market Price data:**

High, Low (Based on daily Closing prices) and number of equity shares traded during each month in the year 2018-19 on BSE.

Month	BSE			MSEI		
	High (Rupees)	Low(rupees)	Total Numbers of equity shares traded	High (Rupees)	Low(rupees)	Total Numbers of equity shares traded
April-2018	0.80	0.50	3,19,104	Not applicable		
May- 2018	0.73	0.50	2,36,489			
June-2018	0.56	0.46	2,78,537			
July-2018	0.54	0.46	3,30,156			
August-2018	0.57	0.45	2,54,416			
September-2018	0.52	0.44	1,86,186			
October-2018	0.44	0.37	1,06,657			
November-2018	0.54	0.37	1,28,417			
December-2018	0.54	0.44	80,527			
January-2019	0.52	0.44	1,37,700			
February-2019	0.48	0.37	76,621			
March-2019	0.39	0.35	2,09,934			

**C) Registrars and Transfer Agents:**

Name and Address	Universal Capital Securities Private Limited 21, shakilNiwas, opp. Satyasai baba Temple, Mahakali Caves road, Andheri (East), Mumbai- 400093.
Telephone no./Fax no.	022-28257641/022-28207207
Places for acceptance of documents	As mentioned above address

D) Outstanding GDRs / ADRs/ Warrants or any Convertible instruments, Conversion date and likely impact on equity: There are 7375050 (Seventy Three Lakhs, Seventy Five Thousand and Fifty) number of shares issued as GDR are outstanding as on 31st March, 2019.

Shareholding pattern as at 31st March, 2019

Category	No. of Shares held	Percentage to total share capital
Promoters	5,94,56,774	38.33
FII/NRI/OCBs	3,98,01,164	25.66
Indian Public	3,59,48,423	23.17
Financial Institutions / Banks	15,949	0.01
Any other	1,25,09,630	8.07
GDR	73,75,050	4.75
<b>Total</b>	<b>15,51,06,990</b>	<b>100</b>

**E) Distribution of shareholding as on 31st March, 2019**

Range	Shareholders		Shares	
	No. Of share	Numbers	% of total shareholders	Numbers
Up to 500	15588	77.657	1750259	1.128
501-1000	1473	7.338	1233010	0.795
1001-2000	942	4.693	1480729	0.955
2001-3001	415	2.067	1078861	0.696
3001-4000	192	0.957	689066	0.444
4001-5000	341	1.699	1653911	1.066
5001-10000	483	2.406	3821429	2.464
10000 and above	639	3.183	143399725	92.452
<b>Total</b>	<b>20151</b>	<b>100</b>	<b>155106990</b>	<b>100</b>

Address for correspondence:

Commex Technology Limited  
B-401, Unit No.- 42,  
4th Floor,Vasudev Chamber,  
Opp Wilson Pen Company,Old,  
Nagardas Road, Andheri (East)  
, Mumbai, MH, 400069

Tel: +91 (22) 2621 2117/19

Fax: +91 (22) 2621 2118

Email: [investor@commextechnology.com](mailto:investor@commextechnology.com)

Website: [www.commextechnology.com](http://www.commextechnology.com)



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors.

Both these Codes are available on the Company's website. I confirm that the Company has in respect of the financial year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Managing Director as on March 31, 2019.

**Date: 09th August, 2019**  
**Place: Mumbai**

**By Order of the Board of Directors**

**Sd/-**  
**Jayant Mitra**  
**Chairman & Managing Director**

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members,**  
**Commex Technology Limited.**

1. We have examined the compliance of conditions of Corporate Governance by Commex Technology Limited. ("the Company"), for the year ended on 31st March, 2019, as stipulated in:

- Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

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

3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2019.

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

**Mulraj D. Gala**  
**Chartered Accountant**

**Membership No. : 041206**

## **Independent Auditor's Report**

**To,**  
**The Members of COMMEX TECHNOLOGY LIMITED**

Report on the Standalone Ind AS Financial Statements

We have audited accompanying standalone Ind AS financial statements of **COMMEX TECHNOLOGY LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss (including other comprehensive income) and Cash Flow Statement and the Statement for Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “standalone Ind AS financial statements”).

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

**Basis for Qualified Opinion:**

- a. The Company has accumulated losses and its net worth has been fully eroded, the Company has incurred net loss/net cash loss during the year ended March 31, 2019 and the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
- b. The Company has not filed annual returns with Registrar of Companies as required under Companies Act, 2013 for financial years 2016-2017 and 2017-18. The company has also not provided for fines and penalties prescribed under Companies Act, 2013 for these irregularities. However, in the absence of detailed computation of fines and penalties, we are unable to comment upon its impact on the loss of the year.
- c. The Company has not provided for gratuity provision as required under Ind-AS 19 "Employee Benefits". However, in the absence of detailed information, we are unable to comment upon its impact on the loss of the year.
- d. The Company has not appointed any whole time Company Secretary as stipulated by Section 203 of the Companies Act, 2013. The company has not produced Secretarial Records for verification.
- e. The company has not evaluated whether any impairment provision is required for expected credit losses (ECL) in accordance with Ind AS 109 - 'Financial Instruments' for Trade Receivables aggregating to Rs. 282.12 Lakh. In the absence of relevant information, third party

confirmation/reconciliation and detailed working, we are unable to comment upon its recoverability and corresponding impact of impairment on the loss of the year, if any.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in Basis for Qualified Opinion Paragraph above, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) as at March 31, 2019, and its losses (financial performance including other comprehensive income), its Cash Flow and the changes in equity for the year ended on that date.

### **Emphasis of Matter**

- a. As stated in Note No. 25.6 of Notes on Standalone Financial Statements, the Company has made provision for income tax liability till date in books of accounts. However, the Company has neither paid these taxes nor filed its return of income since F.Y.2012-13.
- b. As stated in Note No. 25.7 of Notes on Standalone Financial Statements, Other Current Assets as at March 31, 2019 includes Rs 46.37 Lakhs receivable from various Government Authorities which are pending for assessments. The Management is confident of ultimate recovery of the amounts and we have relied on the management assertions of recovery.

### **Report on other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and except for the possible effects of 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 purpose of our audit of the aforesaid Standalone IndAs Financial Statements.
  - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone IndAs Financial Statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Ind As financial statements.

- d) Except for the possible effects of matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors, as on March 31, 2019 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements disclose the impact of pending litigations on the financial position of the Company;
    - ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

**Mulraj D. Gala**  
**Chartered Accountant**  
**Membership No. : 041206**  
**Mumbai**  
**30th May, 2019**

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

Referred to in paragraph 2 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of COMMEX TECHNOLOGY LIMITED for the year ended March 31, 2019.

- i. The Company does not have any fixed assets as on date and hence reporting under clause 3(i) of the CARO 2016 is not applicable.
- ii. The Company's nature of operations does not require it to hold inventories. Consequently clause 3(ii) of the order is not applicable.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) & (b) of clause 3(iii) of the order are not applicable to the Company.
- iv. According to information and explanation provided to us there are no loans, investments, guarantees and securities, hence the Company is not required to report under clause 3(iv) of the CARO 2016.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause (v) is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Companies Act, for any of the products of the Company.
  - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise duty, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.

Sr. No.	Name of the Statute	Nature of the dues	Forum where the dues is pending	Amount (in Lakhs)
1	Income Tax Act, 1961	Tax Deducted at Source	Income Tax Department	0.91
2	Central Excise Act, 1944	Service Tax	Service Tax Department	35.59
3	Maharashtra Sales Tax Act	Profession Tax	Profession Tax Department	0.04
4	Provident Fund Act	Administrative Charges	Provident Fund Organization	0.01
5	Income Tax Act, 1961	Income Tax Liability	Income Tax Department	687.66

- b) There were no disputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it.
- viii. The Company has not taken any loans or borrowings from financial institution, banks, government or due to debentureholders. Consequently, clause 3(viii) of the order is not applicable.
- ix. The Company has not raised any moneys by way of public issue/ further offer including debt instruments. The moneys raised on Term loans have been applied for the purpose for which it was raised.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. There is no managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Companies Act, 2013. Consequently, clause 3(xi) of the CARO 2016 is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. The Company has complied with the provisions of Section 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and has disclosed the details in the Financial Statements in accordance with the Indian Accounting Standard 24.



- xiv. The Company has not made any preferential allotment or private placement of shares or has fully or partly convertible debentures during the year under review and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the explanations given to us, during the year the Company has not entered into any non-cash transactions with its 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, the Company is not required to obtain registration under Section 45IA of the Reserve Bank of India Act, 1934 and therefore clause 3(xvi) of the Order is not applicable.

**Mulraj D. Gala**  
**Chartered Accountant**  
**Membership No. : 041206**

**Mumbai**  
**30th May, 2019**

## **ANNEXURE B TO THE AUDITORS' 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 COMMEX TECHNOLOGY LIMITED (“the Company”) as of 31 March 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's Board of Directors 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 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, 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 Standalone Ind AS financial statements, whether due to fraud or error.

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over 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, to the best of our information and according to the explanations given to us, 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 2019, 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.

**Mulraj D. Gala**  
**Chartered Accountant**  
**Membership No. : 041206**  
**Mumbai**  
**30th May, 2019**

**Audited Financial statements for the period ended March 31, 2019**
**Standalone Balance Sheet as at March 31, 2019**

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
i. Investments		-	-
<b>Total non-current assets</b>		-	-
<b>Current assets</b>			
Financial assets			
i. Trade receivables	2	282.12	323.16
ii. Cash and cash equivalents	3	15.87	16.29
iii. Other Financial Assets	4	1.23	1.23
Other current assets	5	46.37	46.37
<b>Total current assets</b>		<b>345.59</b>	<b>387.05</b>
<b>Total assets</b>		<b>345.59</b>	<b>387.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	6	3,380.76	3,380.76
Other equity	7	(3,840.55)	(3,804.10)
<b>Total equity</b>		<b>(459.79)</b>	<b>(423.34)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term provision	8	1.90	1.90
<b>Total non-current liabilities</b>		<b>1.90</b>	<b>1.90</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables	9	1.36	1.55
Other current liabilities	10	65.40	70.03
Short term provision	11	736.72	736.91
<b>Total current liabilities</b>		<b>803.48</b>	<b>808.49</b>
<b>Total liabilities</b>		<b>805.38</b>	<b>810.39</b>
<b>Total equity and liabilities</b>		<b>345.59</b>	<b>387.05</b>

The accompanying notes are an integral part of the financial statements.

<b>Summary of significant accounting policies</b>	<b>1</b>	
<b>IND-AS Notes</b>	<b>18 to</b>	
<b>Other Notes</b>	<b>23</b>	
	<b>24</b>	
As per our report of even date attached		
<b>MULRAJ D GALA</b>		<b>FOR AND ON BEHALF OF THE BOARD</b>
Chartered Accountant		
		<b>JAYANT MITRA      ALI MOHAMMED</b>
<b>Membership No : 041206</b>		<b>UKANI</b>
		<b>DIRECTOR              DIRECTOR</b>
<b>MUMBAI</b>		<b>DIN: 00801211      DIN: 07649612</b>
<b>30th May, 2019</b>		

<b>Audited Financial statements for the period ended March 31, 2019</b>			
<b>Standalone statement of profit and loss for the period ended March 31, 2019</b>			
(₹ in Lakhs)			
Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations		-	-
Other income	12	-	0.67
<b>Total Revenue</b>		-	<b>0.67</b>
<b>Expenses</b>			
Employee benefit expenses	13	5.27	8.15
Depreciation and amortisation expense		-	20.97
Net finance costs	14	0.03	0.32
Other expenses	15	31.16	41.98
<b>Total expenses</b>		<b>36.44</b>	<b>71.42</b>
<b>Profit before exceptional items, share of net profits of investments accounted for using the equity method and tax</b>		<b>(36.44)</b>	<b>(70.75)</b>
Share of net profits of associates and joint ventures accounted for using the equity method		-	-
<b>Profit before exceptional items and tax</b>		<b>(36.44)</b>	<b>(70.75)</b>
Exceptional items	16	-	(5,570.63)
<b>Profit before tax</b>		<b>(36.44)</b>	<b>(5,641.38)</b>
Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
- Tax adjustment of earlier years		-	(513.72)
<b>Total tax expense/(credit)</b>		-	-
<b>Profit from continuing operations</b>		<b>(36.44)</b>	<b>(6,155.10)</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not reclassified to profit or loss			
B. (i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not reclassified to profit or loss			
<b>Total Other Comprehensive Income for the year</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>(36.44)</b>	<b>(6,155.10)</b>
Earning per equity share (Face Value of Rs. 1/ - each)	17		
(1) Basic		-0.02	-3.97
(2) Diluted		-0.02	-3.97
<b>The accompanying notes are an integral part of the financial statements.</b>			
<b>Summary of significant accounting policies</b>	1		
<b>IND-AS Notes</b>	18 to 23		
<b>Other Notes</b>	24		
As per our report of even date attached		<b>FOR AND ON BEHALF OF THE BOARD</b>	
<b>MULRAJ D GALA</b>			
Chartered Accountant			
Membership No : 041206		JAYANT MITRA	ALI MOHAMMED UKANI
		DIRECTOR	DIRECTOR
		DIN: 00801211	DIN: 07649612
<b>MUMBAI</b>			
<b>30th May, 2019</b>			

**Cash Flow Statement For the Year Ended March 31, 2018**

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before taxation	-36.44	-5,641.38
Adjustments for:		
Depreciation	-	20.97
Interest	0.03	0.32
int on fixed deposit	-	-0.67
Net Loss of sale of Current Asset	-	-
Profit/loss on sale / written off of FA	-	48.38
Investment written off	-	2,792.04
Capital Work in Progress Written off	-	-
Impairment of Goodwill		-
<b>Operating Profit before Working Capital changes</b>	<b>-36.42</b>	<b>-2,780.34</b>
Adjustments for working capital changes:		
(Increase) / Decrease in Other Current Assets	-	96.87
(Increase) / Decrease in Trade Receivables	41.04	235.71
(Increase) / Decrease in Other Financial Assets	-	3.58
Increase/(Decrease) in Long term provision	-	-
Increase/(Decrease) in Short term provision	-0.20	0.80
Increase/(Decrease) in Trade Payable	-0.18	0.20
Increase/(Decrease) in Other liabilities	-4.63	23.56
<b>CASH GENERATED FROM OPERATIONS</b>	<b>-0.38</b>	<b>-2,419.63</b>
less: income tax paid	-0.01	9.13
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<b>-0.39</b>	<b>-2,410.50</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Asset	-	-
Purchase of Fixed Asset	-	-
Proceeds from sale of Current Investments	-	-
Interest Received	-	0.67
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>-</b>	<b>0.67</b>
<b>C. Cash Flow from Financing Activities</b>		
Loan from Holding Company *		
Interest Paid	-0.03	-0.32
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>-0.03</b>	<b>-0.32</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>-0.41</b>	<b>-2,410.15</b>
<b>Opening Cash and Cash Equivalents</b>	<b>16.29</b>	<b>18.83</b>
<b>Closing Cash and Cash Equivalents</b>	<b>15.87</b>	<b>16.29</b>

**Notes:**

Cash &amp; Cash Equivalents includes Cash in hand and Bank Balances.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**MULRAJ D GALA**

Chartered Accountant

Membership No : 041206

**MUMBAI**

30th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

<b>JAYANT MITRA</b>	<b>ALI MOHAMMED UKANI</b>
DIRECTOR	DIRECTOR
DIN: 00801211	DIN: 07649612

**COMMEX TECHNOLOGY LIMITED****Notes to financial statements for the Year Ended March 31, 2019****Note No. 1:****Note No. 1 A - Company Overview**

Commex Technology Limited (Formerly Known as IT People (India) Ltd.) is a Company promoting software products and solutions to the capital and commodities markets and IT Consulting Services and solutions to companies worldwide. The Company is listed at the BSE Ltd. and Metropolitan Stock Exchange of India Ltd.

Software products includes products, solutions and services division for the financial and capital markets addressing Stock and Commodities Exchange, intermediary Brokerage House, Merchant banking Operation and Financial services in India and Overseas.

**Incorporation and Registration**

"Commex Technology Limited" was originally incorporated as a Private Limited Company with the name "Global e-Com (India) Private Limited" on 24th January 2000, under Companies Act, 1956, and was issued a certificate of incorporation bearing number 11-123796 of 2000 by the Registrar of Companies Maharashtra. The Company became a Public Limited Company on 8th February 2000 and the name of the Company was changed to "Global e-Com (India) Limited", thereafter, on 11th April 2000 the name of the Company was again changed to "Balwas e-Com India Limited".

The Company subsequently on 28th October 2003 changed its name to "StarmaxInfomedia Limited" and was issued with a fresh certificate of Incorporation consequent upon change of name on its acquisition by "IT People Private Limited".

The Company subsequently on 22nd November, 2004 changed its name to "IT People (India) Limited" and was issued a fresh certificate of Incorporation consequent upon change of name bearing number L72900MH2000PLC123796 by the registrar of Companies, Maharashtra. Further on 14th November, 2011 the name of the Company was again changed to "Commex Technology Limited".

**Note No. 1.B - Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

## **(A) Basis Of Preparation Of Financial Statement**

### **i) Compliance with Ind AS**

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to IND AS is 1st April, 2016.

The financial statements were authorized for issue by the Company's Board of Directors on 30th May, 2019.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

### **ii) Historical cost convention**

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.
- (c) Investments are measured at fair value.

### **(iii) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.



Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## **(I) Financial Assets**

### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income., except for investment in associates and subsidiaries which are carried at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### **(a) Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent

reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established; except for investments in associates and subsidiaries which are carried at cost.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### **(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

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

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

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

## **(II) Financial Liabilities**

### **(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

### **(ii) Derecognition**

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

### **iii) Current and Non Current Classification.**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

## **(B) Use of Estimates**

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires the management to make estimates and

assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amount of assets or liabilities in future periods.

**(C ) Property, Plant and Equipment**

On transition to Ind AS, The group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

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

**Depreciation**

Depreciation is provided on a pro rata basis a on straight line basis using the rates arrived at based on useful lives which is as prescribed under Schedule II to the Companies Act, 2013. Depreciation for the assets purchased or sold during the period is proportionately charged. The company has used the following rates to provide depreciation on its fixed assets.

The Management estimates the useful lives for the fixed assets as follows.

Description of the Asset

Tangible Assets	Useful Life Applied
Furniture and Fixtures*	12.5 Years

\*For these class of assets, based on internal assessment and technical evaluation carried out, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

## **D) Intangible assets**

On transition to Ind AS, The group has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the group and (b) the cost of the asset can be measured reliably.

### **Amortisation on Intangible asset**

Internet Portal is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

## **(E) Impairment of Tangible and Intangible Asset**

The carrying amounts of all assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An assets is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## **(F) Investments**

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss; except for investment in Associates and subsidiaries which are carried at cost

## **(G) Revenue Recognized**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliable measured. The followings specific recognition criteria must also be met before revenue is recognized.

### **Income from services**

Revenues from contract priced on a time and material basis are recognized when services are rendered and related costs are incurred.

Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognized over the life of the contracts using the proportionate completion method, with contract costs determining the degree of completion, foreseeable losses on such contracts are recognized when probable.

Revenues from sale of software licenses are recognized upon delivery where there is no customization required. In case of customization the same is recognized over the life of the contract using the proportionate completion method.

Revenues from maintenance contracts are recognized pro-rata over the period of the contract.

**Revenues are reported net of discounts.**

### **(H) Foreign Currency Translation**

The Company has the billing process whereby it bills its overseas clients in INR and the amount is remitted by the overseas clients by converting the equivalent local currency equivalent to the Billing made in INR.

### **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date Non monetary items which are measured in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non monetary items which are measures at fair value or other similar valuation denominated in foreign currency are transferred using the exchange rate at the date when such value was determined.

### **(I) Income Tax**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflects the impact of timing difference between taxable income and accounting income originating during the current year and reversal of timing difference for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantially enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses all deferred tax assets are recognized only if there is virtual certainly supporting evidence that they can be realized against future taxable profits.

In situation where the company is entitled to a tax holiday under the Income Tax Act 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates no deferred tax (assets or liabilities) is recognized in respect of timing difference which reverse during the tax holiday period to the extent the company's gross total income is subjected to the deduction during the tax holiday period. Deferred tax in respect of timing difference which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes- down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually as the case may be that sufficient future taxable income will be available against which deferred tax assets can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relates to the same taxable entity and the same taxation authority.

Minimum alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an assets only to the extend that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an assets in accordance with the Guidance Note on Accounting for credit available of minimum alternate tax under Income Tax Act 1961. The said assets is created by way of credit to the statement of profit and loss and shown as "MAT credit Entitlement". The company reviews the MAT credit entitlement assets at each reporting date and writes down the assets to extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## **(J) Earnings per Share**

### **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **(K) Employment Benefits**

The Company's contribution to provident fund is accounted on accrual basis and is charged to the profit and loss account.

No provision has been considered necessary towards gratuity since none of the employees have put in the qualified number of years of service with the Company.

## **(L) Provisions**

Provisions are recognized when the company has present obligation as a results of past events. It is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not

discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed for example under Insurance Contract, the re-imbusement is recognized as a separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

### **Warranty provisions**

Provisions for warranty related costs are recognized when the products is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.



**(M) Contingent Liability**

A contingent liability possible obligation that arises from past events whose existence will be confirmed by the occurrence or non- occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statement.

**(N) Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable. Contingent assets are neither recognised nor recorded in financial statements.

**(O) Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(P) Exceptional Items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**Notes to financial statements for the Year Ended March 31, 2019**
**Note 2- Trade receivables**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured) (Refer Note No 29.10)</b>		
Over six months from the date they were due for payment		
Considered Good	282.12	323.16
Considered doubtful	-	-
Less :- Allowance for Expected Credit Losses	282.12	323.16
<b>Total</b>	<b>282.12</b>	<b>323.16</b>

**Note 3 - Cash and cash equivalents**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank balances	0.31	0.72
Petty cash	0.00	0.01
Unpaid Dividend Account (refer note no 4.1)	2.60	2.60
Margin Money Deposit	12.96	12.96
<b>Total</b>	<b>15.87</b>	<b>16.29</b>

**Note No . 3.1**

The balances can be utilised only towards settlement of the unpaid dividend.

**Note 4 - Other Financial Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured, Considered Good unless otherwise specified)</b>		
<b>Security Deposit</b>		
Rent Deposit	0.50	0.50
Deposit with others	0.73	0.73
<b>Total</b>	<b>1.23</b>	<b>1.23</b>

**Note 5 - Other Current Assets (Unsecured, Considered Good unless otherwise specified)**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance recoverable in cash or kind	-	-
<u>Other loans and advances</u>		
Balance with government authorities	46.37	46.37
Other advances	-	-
<b>Total</b>	<b>46.37</b>	<b>46.37</b>

**Note 6 - Equity Share Capital**

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised</b> 26,25,00,000 Equity shares of Rs. 2/- each and Rs. 7,50,00,000 unclassified shares		<b>6,000.00</b>		<b>6,000.00</b>
<b>Issued, Subscribed and Paid-up</b> 14,77,31,940 Equity Shares of Rs. 2/- each fully paid up		2,954.64		2,954.64
<b>Forfeited Equity Shares</b> Balance as per the last financial statements		278.63		278.63
<b>Global Depository Receipts (GDR)</b> 1,47,501 GDR each representing 50 equity shares of Rs. 2/- each fully paid up		147.50		147.50
<b>Total</b>		<b>3,380.76</b>		<b>3,380.76</b>

**Note No.6.1**

The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period 31.03.2019 (₹ in Lakhs)

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Number of Shares at Beginning	14,77,31,940	2,954.64	14,77,31,940	2,954.64
Add: Shares issued during the year	-	-	-	-
less: Shares bought back (if any)	-	-	-	-
<b>Number of Shares at End</b>	<b>14,77,31,940</b>	<b>2,954.64</b>	<b>14,77,31,940</b>	<b>2,954.64</b>

The reconciliation of the Global Depository Receipts outstanding at the beginning and at the end of the reporting period 31.03.2019

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Number of Shares at Beginning	1,47,501	147.50	1,47,501	147.50
Add: Shares issued during the year	-	-	-	-
less: Shares bought back (if any)	-	-	-	-
<b>Number of Shares at End</b>	<b>1,47,501</b>	<b>147.50</b>	<b>1,47,501</b>	<b>147.50</b>

**Note No. 6.2**
**6.2.1 Terms/rights attached to Equity Shares**

The company has only one class of the shares having a par value of ₹ 2/- per shares. Each holder of equity shares is entitled to one vote per share.

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.

### Note No. 6.3

**The details of shareholders holding more than 5% shares in the company:**  
 (₹ in Lakhs)

<b>Name of Shareholders</b> <b>Equity Shares of Rs.2/- each fully paid</b>	<b>No. of shares held</b>	<b>% held as at March 31, 2019</b>	<b>No. of shares held</b>	<b>% held as at March 31, 2018</b>
Skyline Capital Private Limited	574.43	38.88	574.43	38.88
Stream Value Fund	77.02	5.21	77.02	5.21
Elara Capital PLC	104.25	7.06	104.25	7.06

### Note No. 7: Other Equity

(₹ in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Securities Premium Reserve	6,288.20	6,288.20
Securities Premium Reserve- GDR	3,146.20	3,146.20
General Reserve	1,721.10	1,721.10
General Reserve-Consolidation	-	-
Retained Earnings	-14,996.05	-14,959.61
Other Comprehensive Income	-	-
<b>Total</b>	<b>(3,840.55)</b>	<b>(3,804.10)</b>

**For movement, refer statement of change in equity**

#### 7.1 Securities Premium Reserve

The amount received in excess of the par value of Equity shares issued have been classified as securities premium. In accordance with the provision of Section 52 of Indian Companies Act, 2013, the securities premium account can only be utilised for the purposes of issue bonus shares, repurchasing the Company's shares, redemption of preference shares and debentures, and offsetting direct issue costs and discount allowed for the issue of shares or debentures.

#### 7.2 General Reserve

General reserve forms part of the retained earning and is permitted to be distributed to shareholders as part of dividend and is created out of transfer from retained earnings.

#### 7.3 Retained Earnings

Retained Earnings includes the Company's cumulative earning and losses respectively.

**Note 8- Long term provision**

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Provision for Gratuity (Unfunded)	1.90	1.90
<b>Total</b>	<b>1.90</b>	<b>1.90</b>

**Note 9- Trade Payables**

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Dues of micro and small enterprises (Refer note no 10.1)	-	-
Dues other than micro and small enterprises (Refer Note No. 13.1)	1.36	1.55
<b>Total</b>	<b>1.36</b>	<b>1.55</b>

**Note No. 9.1**

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

**Note 10- Other Current Liabilities**

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Unclaimed Dividend	2.59	2.59
Statutory Liabilities	36.56	36.69
Others	26.25	30.75
<b>Total</b>	<b>65.40</b>	<b>70.03</b>

**Note 11- Short Term Provisions**

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Provision for leave encashment	0.30	0.30
Provision for expenses	2.38	2.58
Provision for tax (net of advance tax)	734.03	734.04
<b>Total</b>	<b>736.72</b>	<b>736.91</b>

**Note 12 - Other income**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Bank Fixed Deposit	-	0.67
<b>Total</b>	<b>-</b>	<b>0.67</b>

**Note 13 - Employee benefit expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Basic Salary, Wages & Allowances	5.22	8.07
Contribution towards PF & Other funds	-	0.06
Staff Welfare	0.05	0.03
<b>Total</b>	<b>5.27</b>	<b>8.15</b>

**Note 14 - Finance costs**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Bank Charges	0.01	0.04
Interest on TDS	0.01	0.08
Prepayment Penalty	-	0.20
<b>Total</b>	<b>0.03</b>	<b>0.32</b>

**Note 15 - Other expenses**

(₹ in Lakhs)

Particulars	Year ended 31, 2019	March	Year ended 31, 2018	March
Electricity expenses		-		0.58
Security Charges		0.52		-
Repairs & Maintenance expenses		0.16		-
Mobile Expenses		-		0.58
Telephone Expenses		0.08		0.03
Rent Office/Godown		3.12		3.17
Auditors Remuneration-Audit Fees		1.25		1.50
Auditors Remuneration-Others		0.46		-
Legal & Company Secretarial Expenses		2.90		9.78
Office Expenses		5.81		9.75
Professional Charges		9.14		10.36
Car Insurance		0.37		-
Computer Consumables		-		0.01
Conveyance Expenses		-		0.38
Listing/Filing/CDSL Charges		3.52		-
Domain Registration/RenewalCharges		-		0.51
Infrastructure Cost		-		0.34
Postage & Courier Charges		0.85		0.01
Printing & Stationary		-		0.10
Membership & Subscription Charges		-		0.04
Sundry Expenses		0.96		4.80
Transportation charges		-		0.03
Sundry Balances W/off		2.01		-
<b>Total</b>		<b>31.16</b>		<b>41.98</b>

**Note 16- Exceptional Items (Refer note 26.11)**

(₹ in Lakhs)

Particulars	Year ended 31, 2019	March	Year ended 31, 2018	March
Sundry Balance Written off		-		2,730.21
Impairment of Investment		-		2,792.04
Fixed Assets Written Off		-		48.38
<b>Total</b>		<b>-</b>		<b>5,570.63</b>

**Note 17- Earning per Share**

(₹ in Lakhs)

Particulars	Year ended 31, 2019	March	Year ended 31, 2018	March
(A) Profit attributable to Equity Shareholders (Rs.)		-36.44		-6,155.10
(B) No. of Equity Shares outstanding during the year		15,51,06,990		15,51,06,990
(C) Face Value of each Equity Share (Rs.)		10		10
(D) Basic and Diluted earning per share (Rs.)		<b>-0.02</b>		<b>-3.97</b>

**Note 18 - Fair value measurements**
**Financial instruments by category:**

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018		
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b><u>Financial Assets – Current</u></b>	-	-		
Investment in Gold	-	-		
Cash and cash equivalents	-	15.87	-	16.29
Trade Receivables	-	282.12	-	323.16
Other Financial Assets	-	1.23	-	1.23
<b><u>Financial Liabilities - Current</u></b>	-	-		
Trade payables	-	1.36	-	1.55

**I. Fair value hierarchy**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgment and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



(It is categorised under Level 2 of fair value hierarchy)

(₹ in Lakhs)

Particulars	31 March 2019		31 March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b><u>Financial Assets - Current</u></b>	-	-	-	-
Cash and cash equivalents	-	15.87	-	16.29
Trade Receivables	-	282.12	-	323.16
Other Financial Assets	-	1.23	-	1.23
<b><u>Financial Liabilities - Current</u></b>	-	-	-	-
Trade payables	-	1.36	-	1.55
-	-	-	-	-
<b><u>Investments in Equity Instruments</u></b>	-	-	-	-
Investment in associate company	-	-	-	-
Investment in subsidiary companies	-	-	-	-

### Note 19 - Financial risk management

The Company's principal financial liabilities comprise trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Considering the state of affairs of the company, the Company is exposed to liquidity risk and Foreign Currency Risk. The Company's senior management oversees the management of these risks.

#### A Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

**Maturities of non – derivative financial liabilities**
**As at 31 March 2019**
**(₹ in Lakhs)**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Current</b>				
Trade payables	1.36	-	-	1.36
<b>Total</b>	<b>1.36</b>	<b>-</b>	<b>-</b>	<b>1.36</b>

**As at 31 March 2018**
**(₹ in Lakhs)**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Current</b>				
Trade payables	1.55	-	-	1.55
<b>Total</b>	<b>1.55</b>	<b>-</b>	<b>-</b>	<b>1.55</b>

**As at 31 March 2017**
**(₹ in Lakhs)**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Current</b>				
Trade payables	1.35	-	-	1.35
<b>Total</b>	<b>1.35</b>	<b>-</b>	<b>-</b>	<b>1.35</b>

**B Market Risk**
**(i) Foreign currency risk**

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the AED

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	AED
<b>31-Mar-19</b>	
Trade receivables- Foreign Currency	14.94
Trade receivables- INR	282.12
<b>31 March 2018</b>	
Trade receivables- Foreign Currency	18.24
Trade receivables- INR	323.16

**Sensitivity Analysis**

The Company is mainly exposed to changes in AED. The sensitivity analysis demonstrate a reasonably possible change in AED exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	31 March 2019	31 March 2018
AED	14.11	16.16

**(ii) Price risk**

The company is exposed to price risk in basic ingredients of Company's raw material. The Company monitors its price risk and factors the price increase in pricing of the products.

**Note 20 - Capital Management**

Since there are no borrowings, capital gearing ratio is not applicable.

**Note 21 - Segment Reporting**

The Company operates in a single reportable segment, which have similar risks and returns for the purpose of Ind AS 108 on 'Operating segments'.

**Note 22 - Leases**

The company's leasing arrangements are in respect of office premises taken on Leave and License basis. The aggregate lease rentals of Rs 3.12 Lakhs (Previous Year: 3.17 Lakhs) are charged as Rent and shown under the Note No. 19 "Other Expenses". These leasing arrangements, which are cancelable, range between eleven months and three years generally or longer and are usually renewable by mutual consent at mutually agreed terms and conditions.

**Note 23 - Related Party Disclosures**

a) Name of the related party and description of relationship.

Related Parties	Nature of Relationship
Mr. Ajay Raut	Chief Financial Officer
Skyline Capital Private Limited	Company having significant Influence- Share holding
Universal Commodity Exchange Ltd.	Associate Company – Share Holding
IT Capital Services Pvt. Ltd.	Wholly Owned Subsidiary
Orient Information Technology FZ LLC	Wholly Owned Subsidiary

b) Details of Transactions during the year with related parties.

(₹ in Lakhs)

Related parties	Nature of Transactions during the year	F.Y.2018 -19	F.Y. 2017 -18
Mr. Ajay Raut	Managerial Remuneration	4.20	7.20
Skyline Capital Private Limited	Loan & Advances written off	-	2,407.61
IT Capital Services Pvt. Ltd.	Impairment of investment	-	2,001.00
	Loans and advances given during the year	-	0.08
	Loan & Advances written off	-	129.17
Orient Information Technology FZ LLC	Impairment of investment	-	791.04

**c) Balance at year end**

(₹ in Lakhs)

S.N.	Related parties	Nature of Transactions	At 31st March,2019	At 31st March,2018
1	Mr. Ajay Raut	Managerial Remuneration	-	-
2	Skyline Capital Private Limited	Loans & Advances Given	-	-
3	Universal Commodity Exchange Ltd.	Equity Investment at the end of the year	-	-
4	IT Capital Services Pvt. Ltd.	Equity Investment at the end of the year Loans & Advances given	- -	- -
5	Orient Information Technology FZ LLC	Equity Investment at the end of the year	-	-

Note : Related parties are being recognised/identified by the management and relied upon by the auditors.

**Notes to financial statements for the Year Ended March 31, 2019**
**Note 24 Other Notes to Accounts**

- 24.1 Although as per the Balance Sheet for the year ending on 31-3-2019 the Share Capital and General Reserves of the Company are fully eroded due to past losses and write off of all the obsolete assets during the year and Net Current Assets are in the negative, due to short term liabilities being heavy, the Company intends to revive its business and continue its market activities as a Commodity Exchange. The Company is in talks with few strategic investors who are keen on making long term investments in the form of Equity. The talks with the investors are fairly at an advanced stage and the Management is confident that the proposed investments are likely to fructify in the third or fourth quarter of the current Financial Year 2018-19. The Company also intends to resolve various issues with the current investors & lenders and come to an amicable settlement with them, paving way for the revival of the Company very soon. Hence, in the opinion of the Management of the Company, the Company can be treated as Going Concern.
- 24.2 Late Sh. Ketan Sheth was the promoter and Managing Director of the Company, managing the affairs of the Company largely single handedly and no other officer of the Company has little knowledge of various transactions, financial or otherwise, made by the said late Ketan Sheth. Sudden, untimely and unexpected demise of late Ketan Sheth on 9-10-2016 caught everyone by surprise & shock and as no one else in the Company had even a semblance of knowledge and control over the activities of the Company. Thus, the operations of the Company were totally paralyzed and came to a total standstill, upon his sad demise. There were no legitimate successors to late Mr. Sheth in the Company and slowly and steadily all the other operational personnel left the Company. Mr. Jayant Mitra, a family friend of late Mr. Sheth, has taken over as the Managing Director only for the purpose of protecting the interest of the

general investors and family of Late Sh. Ketan Sheth. The new Management of the Company will try its best to regularize and bring back the Company on track by belated compliances under various statutes, including Companies Act, 2013, Income Tax Act, 1961, requirements under SEBI Act, 1992 etc. However, due to non-availability of operational personnel and paucity of financial resources, the same are delayed.

- 24.3 After the sad demise of Sh. Ketan Sheth, all the employees of the persons have left the Company on their own. Only a 2 staff members continued till October, 2018, whose retirement benefits are not material. The Company could not make provision for their benefits due to unavoidable circumstances. However, we may inform you that the amount will not be material.
- 24.4 The Company has not appointed any whole time Company Secretary as stipulated by Section 203 of the Companies Act, 2013, due to circumstances beyond the control of the present management. However, we may inform you that we have a Practicing Company Secretary, who is a "Company Secretary" falling as so, within the definition of the Companies Act, 2013, who provides us Secretarial Services for the purpose of Compliance under various Statutes.
- 24.5 The Trade Receivables as disclosed in the Balance Sheet as on 31-3-2019, are the legitimate business dues from overseas customers of the Company. The company is making efforts to get the amount of outstanding debts remitted to India and is confident that the same are recoverable, as these customers are very old and regular customers of the Company. Hence, the management is of the opinion that evaluating trade receivables for any likely impairment is not required for expected credit losses (ECL) in accordance with Ind AS 109.
- 24.6 Provisions for Income Tax were made in the Books of Accounts in all the respective years on the basis of Computation of Income provided by the Income Tax advisors to the Group. However, due to severe financial crunch and business related issues during FY 2012-13 onwards, the Company was not in a position to pay the Tax. The Company is confident that the amount can be paid off once the operations of the Company are revived.
- 24.7 The Company has several amounts due from various statutory authorities disclosed under the head Other Current Assets as at March 31, 2019, including Rs 46.37 Lakhs receivable from various Government Authorities. These amounts are pending with these authorities due to assessment proceedings not having been completed. Once the same are completed either the Company will manage to get these amounts collected from the respective authorities or will be eligible for set off against legitimate dues to them, if any. The Management is very confident of resolving these assessments favorably and recovery of the amount.

- 24.8 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and reconciliation.
- 24.9 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

**The accompanying notes are an integral part of the financial statements.**

**As per our report of even date attached**

**MULRAJ D GALA**

**Chartered Accountant**

**Membership No : 041206**

**MUMBAI**

**30th May, 2019**

**FOR AND ON BEHALF OF THE BOARD**

**JAYANT MITRA**

**DIRECTOR**

**DIN: 00801211**

**ALI MOHAMMED UKANI**

**DIRECTOR**

**DIN: 07649612**

## **Independent Auditor's Report**

To,

### **The Members of COMMEX TECHNOLOGY LIMITED**

#### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Ind AS financial statements of **COMMEX TECHNOLOGY LIMITED** (hereinafter referred to as “the Holding Company”) and its Subsidiary Companies (the Holding Company and its subsidiary companies together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at March 31, 2019 and the Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Consolidated Ind AS financial statements”).

#### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement changes in equity of the Group in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

**Basis for Qualified Opinion:**

- a. The Group has accumulated losses and its net worth has been fully eroded, the Group has incurred net loss/net cash loss during the quarter and year ended March 31, 2019 and, the Group's current liabilities exceeded its current assets as at the balance sheet date. Further, the group has written off all its tangible and intangible assets in the quarter ended March 31, 2019. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.
- b. The Holding Company has not filed annual returns with Registrar of Companies as required under Companies Act, 2013 for financial year 2016-2017. The company has also not provided for fines and penalties prescribed under Companies Act, 2013 for the same. However, in the absence of detailed computation of fines and penalties, we are unable to comment upon its impact on the loss of the year.
- c. The Holding Company has not provided for gratuity provision as required under Ind-AS 19 "Employee Benefits". However, in the absence of detailed information, we are unable to comment upon its impact on the loss of the year.
- d. The Holding Company has not appointed any whole time Company Secretary as stipulated by Section 203 of the Companies Act, 2013. The Holding Company has not produced Secretarial Records for verification.
- e. The Holding company has not evaluated whether any impairment provision is required for expected credit losses (ECL) in accordance with Ind AS 109 - 'Financial Instruments' for Trade Receivables aggregating to Rs. 282.12 Lakh. In the absence of relevant information, third party confirmation/reconciliation and detailed working, we are



unable to comment upon its recoverability and corresponding impact of impairment on the loss of the year, if any.

- f. The Holding company has not evaluated whether any impairment provision is required for expected credit losses (ECL) in accordance with Ind AS 109 - 'Financial Instruments' for Other Receivables of the subsidiaries aggregating to Rs. 336.75 Lakh. In the absence of relevant information, third party confirmation/reconciliation and detailed working, we are unable to comment upon its recoverability and corresponding impact of impairment on the loss of the year, if any.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on our audit and based on the consideration of unaudited financial statements furnished by the management for subsidiary as referred to in point 'a' in 'Other Matters' paragraph below, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the Consolidated financial position of the Group as at March 31, 2019, and its Consolidated Financial Performance including Other Comprehensive Income, its Consolidated Cash Flow and Consolidated Statement of Changes in Equity for the year ended on that date.

### **Emphasis of Matter**

- a. The Holding Company has made provision for income tax liability till date in books of accounts. However, the Company has neither paid these taxes nor filed its return of income since F.Y.2012-13.
- b. Other Current Assets as at March 31, 2019 includes Rs 46.37 Lakhs receivable from various Government Authorities by Holding Company, which are pending for assessments. The Management is confident of ultimate recovery of the amounts and we have relied on the management assertions of recovery.

### **Other Matter**

- a. We have relied on the unaudited financial statements furnished by the management with respect to two subsidiaries included in the consolidated Ind AS financial statements, which reflect total assets of Rs 336.76 lakh as at March 31, 2019, total revenue of Rs Nil for the year ended March 31, 2019 and total comprehensive income (comprising of profit and other comprehensive income) of Rs. Nil for the year ended March 31, 2019 respectively. The unaudited financial statements and other financial information as approved by the respective Board of Directors of these companies have been furnished to us by the management and our opinion on the annual Ind AS consolidated financial statements, in so far as relates to the amount and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. We are unable to comment upon the resultant impact, if any on the

consolidated net profit and other financial information of the Ind AS consolidated financial statements as at and for the year ended March 31, 2019.

Our opinion on the Consolidated Ind AS Financial Statements and our report is not modified in respect of this matter.

### **Report on other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and based on the consideration of unaudited financial statements furnished by the management for subsidiary as referred to in point 'a' above in 'Other Matters' paragraph, 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 purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind As Financial Statements have been kept by the Holding Company and its subsidiaries included in the Group, so far as it appears from our examination of those books and records of the Holding Company and information certified by the management, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - d) Except for the possible effects of matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards prescribed under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The Matters described in Basis for Qualified Opinion/Emphasis of Matters paragraphs, respectively, in our opinion, may have an adverse effect on the functioning of the Holding Company.
  - f) On the basis of the written representations received from the directors of the Holding Company, as on March 31, 2019 and taken on record by the Board of Directors of Holding Company, we report that none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiaries 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 Auditors) 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 financial statements certified by the Management in case of one subsidiary as noted in 'Other Matters':
  - i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, provisions have been made in the Consolidated Ind AS Financial Statement, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.

**Mulraj D. Gala**

**Chartered Accountant**

**Membership No. : 041206**

**Mumbai**

**30th May, 2019**

## **ANNEXURE A TO THE AUDITORS' REPORT**

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

In conjunction with our audit of the Consolidated Ind As financial statements of COMMECTECHNOLOGGYLIMITED ("hereinafter referred to as "the Holding Company") as of and for the year ended on 31 March 2019, we have audited the internal financial control over financial reporting of the Holding company and one subsidiary company. This Report does not contain a statement with respect to the adequacy of the internal financial controls over financial reporting of one Subsidiary Company and the operating effectiveness of such controls, as per Clause(i) of section 143(3) of the Act is not applicable to Subsidiary Companies as of that date.

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

The Holding Company's respective Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and 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 Holding 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 Holding 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, 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 Consolidated Ind AS 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 Holding Company and internal financial control 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, to the best of our information and according to the explanations given to us, 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 2019, 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.

**MULRAJ D GALA**

**Chartered Accountant**  
**Membership No : 041206**

**MUMBAI**  
**9th May, 2019**

**FOR AND ON BEHALF OF THE BOARD**

<b>JAYANT MITRA</b>	<b>ALI MOHAMMED UKANI</b>
<b>DIRECTOR</b>	<b>DIRECTOR</b>
<b>DIN: 00801211</b>	<b>DIN: 07649612</b>

**Consolidated Financial statements for the period ended March 31, 2019**
**Consolidated Balance Sheet as at March 31, 2019**

(₹ in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Financial assets</b>			
i. Trade receivables	2	282.12	323.16
ii. Cash and Cash Equivalents	3	15.87	16.29
iii. Other Financial Assets	4	1.23	1.23
<b>Other current assets</b>	5	383.13	365.08
<b>Total current assets</b>		<b>682.35</b>	<b>705.76</b>
<b>Total assets</b>		<b>682.35</b>	<b>705.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	6	3,380.76	3,380.76
Other equity	7	(3,524.12)	(3,505.70)
<b>Total equity</b>		<b>(143.36)</b>	<b>(124.94)</b>
<b>LIABILITIES</b>			
<b>Particulars</b>	<b>Note</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Non-current liabilities</b>			
Long term provision	8	1.90	1.90
<b>Total non-current liabilities</b>		<b>1.90</b>	<b>1.90</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
i. Trade payables	9	1.36	1.54
<b>Other current liabilities</b>	10	65.40	90.24
<b>Short term provision</b>	11	757.05	737.03
<b>Total current liabilities</b>		<b>823.82</b>	<b>828.81</b>
<b>Total liabilities</b>		<b>825.72</b>	<b>830.71</b>
<b>Total equity and liabilities</b>		<b>682.36</b>	<b>705.76</b>

The accompanying notes are an integral part of the financial statements.

<b>Significant Accounting Policies</b>	<b>1</b>
<b>IND-AS Notes</b>	<b>18 to 24</b>
<b>Other Notes</b>	<b>25</b>

**MULRAJ D GALA**
**Chartered Accountant**  
**Membership No : 041206**
**MUMBAI**  
**9th May, 2019**
**FOR AND ON BEHALF OF THE BOARD**

<b>JAYANT MITRA</b>	<b>ALI MOHAMMED UKANI</b>
<b>DIRECTOR</b>	<b>DIRECTOR</b>
<b>DIN: 00801211</b>	<b>DIN: 07649612</b>

## Consolidated Financial statements for the period ended March 31, 2019

Consolidated Statement of Profit and Loss for the period ended March 31, 2019 (₹ in Lakhs)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations		-	-
Other Income	12	-	0.67
<b>Total Income</b>		<b>-</b>	<b>0.67</b>
<b>Expenses</b>			
Employee benefit expenses	13	5.27	8.15
Depreciation and amortisation of expenses		-	20.97
Net finance costs	14	0.03	0.32
Other expenses	15	13.13	47.67
<b>Total expenses</b>		<b>18.42</b>	<b>77.12</b>
<b>Profit before exceptional items, share of net profits of investments accounted for using the equity method and tax</b>		<b>(18.42)</b>	<b>(76.45)</b>
Share of net profits of associates and joint ventures accounted for using the equity method		-	-
<b>Profit before exceptional items and tax</b>		<b>(18.42)</b>	<b>(76.45)</b>
Exceptional items	16	-	(4,743.61)
<b>Profit before tax</b>		<b>(18.42)</b>	<b>(4,820.06)</b>
Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
- Tax of earlier years		-	(513.72)
<b>Total tax expense/(credit)</b>		<b>-</b>	<b>(513.72)</b>
<b>Profit from continuing operations</b>		<b>(18.42)</b>	<b>(5,333.78)</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not reclassified to profit or loss			
B. (i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not reclassified to profit or loss			
Total Other Comprehensive Income for the year		-	-
<b>Total Comprehensive Income for the year</b>		<b>(18.42)</b>	<b>(5,333.78)</b>

<b>Earning per equity share (Face Value of Rs. 2/- each)</b>	<b>17</b>		
(1) Basic		-0.01	-3.44
(2) Diluted		-0.01	-3.44

The accompanying notes are an integral part of the financial statements.

<b>Significant Accounting Policies</b>	<b>1</b>
<b>IND-AS Notes</b>	<b>18 to 24</b>
<b>Other Notes</b>	<b>25</b>

As per our report of even date attached

**MULRAJ D GALA**  
Chartered Accountant

**FOR AND ON BEHALF OF THE BOARD**

Membership No : 041206  
MUMBAI  
30th May, 2019

JAYANT MITRA  
DIRECTOR  
DIN: 00801211

ALI MOHAMMED UKANI  
DIRECTOR  
DIN: 07649612



**Consolidated Cash Flow Statement For the Year Ended March 31, 2019**

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before taxation	-18.42	-4,820.07
<b>Adjustments for:</b>		
Depreciation	-	20.97
Interest	0.03	0.32
Interest on fixed deposits	-	-0.67
Increase/(Decrease) in Reserve on Consolidation	-	1.08
Profit/loss on sale / written off of Fixed Assets	-	48.38
Investment written off	-	-
Capital Work in Progress written off	-	2,094.19
<b>Operating Profit before Working Capital changes</b>	<b>-18.40</b>	<b>-2,655.79</b>
<b>Adjustments for working capital changes:</b>		
(Increase) / Decrease in Other Current Assets	-18.05	-29.42
(Increase) / Decrease in Trade Receivables	41.04	235.71
(Increase) / Decrease in Other Financial Assets	-	3.57
Increase/(Decrease) in Long term provision	-	-0.00
Increase/(Decrease) in Short term provision	-0.38	0.81
Increase/(Decrease) in Trade Payable	-0.17	0.19
Increase/(Decrease) in Other Current Liabilities	-24.84	23.54
<b>CASH GENERATED FROM OPERATIONS</b>	<b>-20.80</b>	<b>-2,421.41</b>
less: income tax paid	20.41	9.13
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<b>-0.39</b>	<b>-2,412.28</b>
<b>B. Cash Flow from Investing Activities</b>		
Interest Received	-	0.67
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>-</b>	<b>0.67</b>
<b>C. Cash Flow from Financing Activities</b>		
Loan from Holding Company		
Interest Paid	-0.03	-0.32
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>-0.03</b>	<b>-0.32</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>-0.42</b>	<b>-2,411.93</b>
<b>Opening Cash and Cash Equivalents</b>	<b>16.29</b>	<b>20.61</b>
<b>Closing Cash and Cash Equivalents</b>	<b>15.87</b>	<b>16.29</b>

**Notes:**

1. Cash & Cash Equivalents includes Cash in hand and Bank Balances.
2. Previous year's figures have been Re-grouped/ Re-arranged, wherever considered necessary

As per our report of even date attached

**MULRAJ D GALA**

Chartered Accountant

Membership No : 041206

MUMBAI

30th May, 2019

**FOR AND ON BEHALF OF THE BOARD**
**JAYANT MITRA**

DIRECTOR

DIN: 00801211

**ALI MOHAMMED UKANI**

DIRECTOR

DIN: 07649612

**Audited Consolidated Financial statements as at March 31, 2019**
**Consolidated statement of changes in equity for the period ended March 31, 2019**
**Equity Share Capital**

(₹ in Lakhs)

Particulars	No. of Shares	Amount
<b>Balance at at 31st March, 2017</b>	<b>338,076,480</b>	<b>3,380.76</b>
Changes in Equity Share Capital during the year	-	-
<b>Balance at at 31st March, 2018</b>	<b>338,076,480</b>	<b>3,380.76</b>
Changes in Equity Share Capital during the year	-	-
<b>Balance at at 31st March, 2019</b>	<b>338,076,480</b>	<b>3,380.76</b>

**B. Other equity**

(₹ in Lakhs)

Particulars	Attributable to owners of Commex Technology Limited					Attributable to non-controlling interests	Total
	Equity component of compound financial instruments	Reserves and surplus			Total other equity		
		Securities premium reserve	Retained earnings	General Reserve			
<b>As at April 1, 2017</b>	-	9,434.40	(9606.79)	1,999.38	1,826.99	-	1,826.99
General Reserve on Consolidation				1.07	1.07		1.07
Profit/(Loss) for the year			(5,333.77)		(5,333.77)		(5,333.77)
Other comprehensive income			-		-		-
<b>Total comprehensive income for the year</b>	-	-	(5,333.77)	-	(5,333.77)	-	(5,333.77)
Utilised during the year					-		-
<b>As at March 31, 2018</b>	-	9,434.40	(14,940.56)	2,000.45	(3,505.71)	-	(3,505.71)
General Reserve on Consolidation				-	-		-
Profit/(Loss) for the year			(18.42)		(18.42)		(18.42)
Other comprehensive income			-		-		-
<b>Total comprehensive income for the year</b>	-	-	(18.42)	-	(18.42)	-	(18.42)
Utilised during the year			-	-	-		-
<b>As at March 31, 2019</b>	-	9,434.40	(14,958.98)	2,000.45	(3,524.13)	-	(3,524.13)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**MULRAJ D GALA**  
**Chartered Accountant**

**FOR AND ON BEHALF OF THE BOARD**

**JAYANT MITRA**  
**DIRECTOR**  
**DIN: 00801211**

**ALI MOHAMMED UKANI**  
**DIRECTOR**  
**DIN: 07649612**

**Membership No : 041206**

**MUMBAI**  
**30th May, 2019**

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2019**
**Note 2 - Trade receivables**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured (Refer Note No. 25.9)</b>		
Over six months from the date they were due for payment		
Considered Good		
Considered doubtful		
Less :- Allowance for Expected Credit Losses		
Considered Good	282.12	323.16
Considered doubtful	-	-
	282.12	323.16
Less :- Allowance for Expected Credit Losses	-	-
<b>Total</b>	<b>282.12</b>	<b>323.16</b>

**Note 3 - Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank balances	0.31	0.72
Cash on hand	-	-
Petty cash	-	0.01
Unpaid Dividend Account (refer note no.7.1)	2.60	2.60
Margin Money Deposits	12.96	12.96
<b>Total</b>	<b>15.87</b>	<b>16.29</b>

**Note No . 3.1**

The balances can be utilised only towards settlement of the unpaid dividend.

**Note 4- Other Financial Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured, Considered Good unless otherwise specified)</b>		
<b>Security Deposit</b>		
Rent Deposit	0.50	0.50
Deposit with others	0.73	0.73
<b>Total</b>	<b>1.23</b>	<b>1.23</b>

**Note 5- Other Current Assets (Unsecured, Considered Good unless otherwise specified) (₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance recoverable in cash or kind	As at March 31, 2019	-
<b>Other loans and advances</b>		
Balance with government authorities (Refer Note No. 25.8)	46.37	46.31
Other advances	-	-
Other Current Assets (Refer Note No. 25.9)	336.75	318.77
<b>Total</b>	<b>383.12</b>	<b>365.07</b>

**Note 6 - Equity Share Capital (₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>		
26,25,00,000 Equity shares of Rs. 2/- each and Rs. 7,50,00,000 unclassified shares	<b>6,000.00</b>	<b>6,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
14,77,31,940 Equity Shares of Rs. 2/- each fully paid up	-	2,954.64
<b>Forfeited Equity Shares</b>		
Balance as per the last financial statements	-	278.63
<b>Global Depository Receipts (GDR)</b>		
1,47,501 GDR each representing 50 equity shares of Rs. 2/- each fully paid up	-	147.50
<b>Total</b>	<b>-</b>	<b>3,380.76</b>

**Note No. 6.1**

The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period 31.03.2019

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Number of Shares at Beginning	147,731,940	-	147,731,940	2,954.64
Add: Shares issued during the year	-	-	-	-
less: Shares bought back (if any)	-	-	-	-
<b>Number of Shares at End</b>	<b>147,731,940</b>	<b>-</b>	<b>147,731,940</b>	<b>2,954.64</b>

The reconciliation of the Global Depository Receipts outstanding at the beginning and at the end of the reporting period 31.03.2018

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Number of Shares at Beginning	147,501	-	147,501	147.50
Add: Shares issued during the year	-	-	-	-
less: Shares bought back (if any)	-	-	-	-
<b>Number of Shares at End</b>	<b>147,501</b>	<b>-</b>	<b>147,501</b>	<b>147.50</b>

**Note No. 6.2**
**10.2.1 Terms/rights attached to Equity Shares**

The company has only one class of the shares having a par value of ₹ 2/- per shares. Each holder of equity shares is entitled to one vote per share.

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.

### 10.2.2 Terms/rights attached to Global Depository Receipts

The Global Depository Receipts (“GDRs”) represented by this certificate are each issued in respect of 50 equity Shares of par value Rs. 2/- each (the “Shares”) in Commex Technology Limited (Formerly Known as IT People (India) Limited) (the “Company”) pursuant to and subject to a depository agreement dated 18th May, 2009, and made between the Company and Deutsche Bank Trust Company Americas depository and/or any other depository which may from time to time be appointed under the agreement (the “Depository”) (such agreement, as amended from time to time, being hereinafter referred to as the “Deposit Agreement”). In the event of windup of the Company, the holders of the shares are entitled to be repaid the amounts of paid up capital or credited as paid up on their Shares. All surplus assets remaining after payments are made to holders of any preference Shares belong to holders of the Shares in proportion to the amount paid-up or credited as paid-up on such shares at the commencement of the winding-up.

#### Note No. 6.3

The details of shareholders holding more than 5% shares in the company:

(₹ in Lakhs)

Name of Shareholders	No. of shares	% held as at	No. of shares	% held as at
	held	March 31, 2019	held	March 31, 2018
<b>Equity Shares of Rs.2/- each fully paid</b>				
Skyline Capital Private Limited	574.43	38.88	574.43	38.88
Stream Value Fund	77.02	5.21	77.02	5.21
Elara Capital PLC	104.25	7.06	104.25	7.06

#### Note no. 7: Other Equity

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Securities Premium Reserve	9,434.40	9,434.40
Opening balance and Closing balance at the year end	6,288.20	6,288.20
Securities Premium Reserve- GDR	3,146.20	3,146.20
	<b>9,434.40</b>	<b>9,434.40</b>
General Reserve	2,000.46	2,000.46
Opening balance and Closing balance at the year end	1,721.10	1,721.10
	<b>1,721.10</b>	<b>1,721.10</b>
Opening balance	(14,940.56)	(9,606.79)
Profit/ Loss for the year	(18.42)	(5,333.77)
<b>Retained Earnings</b>	<b>(14,958.98)</b>	<b>(14,940.56)</b>
<b>Amount available for appropriations</b>	<b>(14,958.98)</b>	<b>(14,940.56)</b>
Less: Appropriation		
Proposed Dividend	-	-
Prior period items	-	-
<b>Closing Surplus</b>	<b>(14,958.98)</b>	<b>(14,940.56)</b>
Provision for diminution		
Other Comprehensive Income	-	-
<b>Total Other Equity</b>	<b>(3,524.12)</b>	<b>(3,505.70)</b>

For movement, refer statement of change in equity

### 7.1 Securities Premium Reserve

The amount received in excess of the par value of Equity shares issued have been classified as securities premium. In accordance with the provision of Section 52 of Indian Companies Act, 2013, the securities premium account can only be utilised for the purposes of issue bonus shares, repurchasing the Company's shares, redemption of preference shares and debentures, and offsetting direct issue costs and discount allowed for the issue of shares or debentures.

### 7.2 General Reserve

General reserve forms part of the retained earning and is permitted to be distributed to shareholders as part of dividend and is created out of transfer from retained earnings.

### 7.3 Retained Earnings

Retained Earning includes the Company's cumulative earning and losses respectively.

#### Note 8- Long term provision

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Provision for Employee Benefits (Unfunded)</b>		
Provision For Gratuity	1.90	1.90
<b>Total</b>	<b>1.90</b>	<b>1.90</b>

#### Note 9- Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dues of micro and small enterprise (Refer note no 9.1)	-	-
Dues other than micro and small enterprises (Refer Note No. 13.1)	1.36	1.54
<b>Total</b>	<b>1.36</b>	<b>1.54</b>

#### Note No. 9.1

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

**Note 10- Other Current Liabilities**

₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unclaimed Dividend	2.59	2.59
Statutory Liabilities	36.77	36.69
Other Liabilities	26.04	50.96
<b>Total</b>	<b>65.40</b>	<b>90.24</b>

**Note 11- Short Term Provisions**

₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for leave encashment	0.30	0.30
Provision for expenses	2.20	2.58
Provision for tax	754.55	734.14
<b>Total</b>	<b>757.05</b>	<b>737.02</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2019**
**Note 12 - Other income**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Bank Fixed Deposit	-	0.67
<b>Total</b>	<b>-</b>	<b>0.67</b>

**Note 13 - Employee benefit expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Basic Salary, Wages & Allowances	5.22	8.07
Contribution towards PF & Other funds	-	0.06
Staff Welfare	0.05	0.03
<b>Total</b>	<b>5.27</b>	<b>8.15</b>

**Note 14 -Net Finance costs**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Bank Charges	0.01	0.04
Interest on TDS	0.01	0.08
Prepayment Penalty	-	0.20
<b>Total</b>	<b>0.03</b>	<b>0.32</b>

**Note 15- Other expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Electricity expenses	-	0.58
Security Charges	0.52	-
Repairs & Maintenance expenses	0.16	0.00
Mobile Expenses	-	0.58
Telephone Expenses	0.08	0.03
Rent Office/Godown	3.12	3.17
Auditors Remuneration-Audit Fees	1.25	1.58
Auditors Remuneration-Others	0.46	0.00
Legal & Company Secretarial Expenses	2.90	9.78
Office Expenses	9.41	9.75
Professional Charges	9.14	10.75
Car Insurance	0.37	0.00



**Note 15- Other expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Computer Consumables	-	0.01
Conveyance Expenses	-	0.38
Listing/Filing/CDSL Charges	3.52	-
Domain Registration/RenewalChgs	-	0.51
Infrastructure Cost	-	0.34
Postage & Courier Charges	0.85	0.01
Printing & Stationary	-	0.10
E Filling Charges	-	0.004
Membership & Subscription Charges	-	0.04
Sundry Expenses	0.96	3.80
Transportation charges	0.00	0.03
Sundry Balances W/off	2.01	-
Foreign Exchange Fluctuations	-21.62	
Other Expenses	-	6.21
<b>Total</b>	<b>13.13</b>	<b>47.67</b>

**Note 16- Exceptional Items**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sundry Balance Written off	-	2,601.04
Fixed Assets Written off	-	48.38
Capital Work in Progress written off	-	2,094.19
<b>Total</b>	<b>-</b>	<b>4,743.61</b>

**Note 17- Earnings per share**

₹ in Lakhs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(A) Profit attributable to Equity Shareholders (Rs.)	(18.42)	(5,333.77)
(B) No. of Equity Shares outstanding during the year	155,106,990	155,106,990
(C) Face Value of each Equity Share (Rs.)	10.00	10.00
(D) Basic and Diluted earning per share (Rs.)	<b>(0.01)</b>	<b>(3.44)</b>

**18 Financial Instruments by Category:**

(₹ in Lakhs)

Particulars	31 March 2019		01 April 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets - Current</b>				
Trade Receivables	-	282.12	-	323.16
Cash & Cash Equivalents	-	15.87	-	16.29
Other Financial Assets	-	1.23	-	1.23
<b>Financial Liabilities- Current</b>				
Trade payables	-	1.36	-	1.54

## I. Fair value hierarchy

"The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table."

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

"II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed (₹ in Lakhs)(It is categorised under Level 2 of fair value hierarchy)"

### II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed (₹ in Lakhs)

Particulars	31 March 2019		01 April 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets - Current</b>				
Trade Receivables		282.12	-	323.16
Cash and Cash Equivalents	-	15.87	-	16.29
Other Financial Assets	-	1.23	-	1.23
<b>Financial Liabilities - Current</b>				
Trade payables	-	1.36	-	1.54

The carrying amounts of cash and bank balances, trade payables and other payables are considered to be approximately equal to the fair value.

## 19 Financial risk management

"The Company's principal financial liabilities comprise trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. Considering the state of affairs of the company, the Company is exposed to liquidity risk. The Company's senior management oversees the management of these risks."

## A Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables and other financial liabilities.

### Maturities of non – derivative financial liabilities

As at 31 March 2019

(₹ in Lakhs)

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Current</b>				
Trade payables	1.36	-	-	1.36
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>1.36</b>	<b>-</b>	<b>-</b>	<b>1.36</b>

As at 31 March 2017

(₹ in Lakhs)

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Current</b>				
Trade payables	1.54	-	-	1.54
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>1.54</b>	<b>-</b>	<b>-</b>	<b>1.54</b>

## B Market Risk

### Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the AED

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	Amount (₹ in Lakhs)
<b>31-Mar-19</b>	
Trade receivables- Foreign Currency UAE Dhirs	14.94
Trade receivables- INR	282.12
Other Current Assets- Foreign Currency	20.29
Other Current Assets- INR	383.13
<b>31 March 2018</b>	
Trade receivables- Foreign Currency	18.28
Trade receivables- INR	323.16
Other Current Assets- Foreign Currency	20.66
Other Current Assets- INR	365.07

### Sensitivity Analysis

The Company is mainly exposed to changes in AED. The sensitivity analysis demonstrate a reasonably possible change in AED exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa in INR.

Particulars	31 March 2019	31 March 2018
UAE Dharam	33.26	34.41

### C Price risk

The company is exposed to price risk in basic ingredients of Company's raw material. The Company monitors its price risk and factors the price increase in pricing of the products.

### 20 Capital Management

Since there are no borrowings, capital gearing ratio is not applicable.

### 21 Segment Reporting

The Group operates in a single reportable segment, which have similar risks and returns for the purpose of Ind AS 108 on 'Operating segments'.

### 22 Leases

The company's leasing arrangements are in respect of office premises taken on Leave and License basis. The aggregate lease rentals of Rs. 3.12 Lakhs (Previous Year: Rs. 3.17 Lakh) are charged as Rent and shown under the Note No. 15 "Other Expenses". These leasing arrangements, which are cancelable, range between eleven months and three years generally or longer and are usually renewable by mutual consent at mutually agreed terms and conditions.

### 23 Related Party Disclosures

a) Name of the related party and description of relationship.

S.No.	Name of the Related Party	Nature of Relationship
1	Late Mr. Ketan Sheth	Key Management Peronnel
2	Mr. Ajay Raut	Chief Financial Officer
3	Skyline Capital Private Limited	Company having significant influence-Sharehodling
4	Universal Commodity Exchange Ltd.	Associate Company -Sharehodling

b) Details of transactions during the year with the Related Party

(₹ in Lakhs)

S.No.	Name of the Related Party	Nature of Transaction	2018-19	2017-18
1	Skyline Capital Private Limited	Loans and Advances given written off	-	2,407.61
2	Ajay Raut	Managerial Remuneration	4.20	7.20

c) Balance at year end

(₹ in Lakhs)

S.No.	Related parties		At 31st March,2019	At 31st March,2018
			(Rs.)	(Rs.)
1	Skyline Capital Private Limited		-	-
2	Mr. Ajay Raut		-	-

Note : Related parties are being recognised/identified by the management and relied upon by the auditors.

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2019****25 Other Notes to Accounts**

- 25.1 Although as per the Balance Sheet for the year ending on 31-3-2019 the Share Capital and General Reserves of the Group are fully eroded due to past losses and write off of all the obsolete assets during the year and Net Current Assets are in the negative, due to short term liabilities being heavy, the Management intends to revive its business and continue its market activities as a Commodity Exchange. The Management is in talks with few strategic investors who are keen on making long term investments in the form of Equity. The talks with the investors are fairly at an advanced stage and the Management is confident that the proposed investments are likely to fructify in the third or fourth quarter of the current Financial Year 2018-19. The Management also intends to resolve various issues with the current investors & lenders and come to an amicable settlement with them, paving way for the revival of the Company very soon. Hence, in the opinion of the Management, the Group can be treated as Going Concern.
- 25.2 Late Mr. Ketan Sheth was the promoter and Managing Director of the Holding Company, managing the affairs of the Holding Company largely single handedly and no other officer of the Holding Company has little knowledge of various transactions, financial or otherwise, made by the said late Ketan Sheth. Sudden, untimely and unexpected demise of late Ketan Sheth on 9-10-2016 caught everyone by surprise & shock and as no one else in the Holding Company had even a semblance of knowledge and control over the activities of the Company. Thus, the operations of the Holding Company were totally paralyzed and came to a total standstill, upon his sad demise. There were no legitimate successors to late Mr. Sheth in the Holding Company and slowly and steadily all the other operational personnel left the Holding Company. Mr. Jayant Mitra, a family friend of late Mr. Sheth, has taken over as the Managing Director only for the purpose of protecting the interest of the general investors and family of late Sh. Ketan Sheth. The new Management of the Holding Company will try its best to regularize and bring back the Company on track by belated compliances under various statutes, including Companies Act, 2013, Income Tax Act, 1961, requirements under SEBI Act, 1992 etc. However, due to non-availability of operational personnel and paucity of financial resources, the same are delayed.
- 25.3 After the sad demise of Sh. Ketan Sheth, all the employees of the persons have left the Holding Company on their own. Only one staff member has continued for part period during the year, whose retirement benefits are not material. The Holding Company could not make provision for their benefits due to unavoidable circumstances. However, we may once again confirm that the amount will not be material.
- 25.4 The Holding Company has not appointed any whole time Company Secretary as stipulated by Section 203 of the Companies Act, 2013, due to circumstances beyond the control of the present management. However, we may inform you that we have a Practicing Company Secretary, who is a "Company Secretary" falling as so, within the definition of the Companies Act, 2013, who provides us Secretarial Services for the purpose of Compliance under various Statutes.
- 25.5 The Trade Receivables as disclosed in the Balance Sheet as on 31-3-2019, are the legitimate business dues from overseas customers of the holding Company. The holding company is

making efforts to get the amount of outstanding debts remitted to India and is confident that the same are recoverable, as these customers are very old and were regular customers of the holding Company. Hence, the management is of the opinion that evaluating trade receivables for any likely impairment is not required for expected credit losses (ECL) in accordance with Ind AS 109.

- 25.6 The Holding Company has invested Rs. 3,000 lakhs in one of its Associate Company. As the Holding Company does not have control on the said associates and the accounts were not made available to the Management, these associates have not been considered in the consolidated Ind AS financial statements.
- 25.7 Provisions for Income Tax were made in the Books of Accounts of Holding Company in all the respective years on the basis of Computation of Income provided by the Income Tax advisors to the Group. However, due to severe financial crunch and business related issues during FY 2012-13 onwards, the Holding Company was not in a position to pay the Tax. The Management is confident that the amount can be paid off once the operations of the Holding Company are revived.
- 25.8 The Holding Company has several amounts due from various statutory authorities disclosed under the head Other Current Assets as at March 31, 2019, including Rs 46.37 Lakhs receivable from various Government Authorities. These amounts are pending with these authorities due to assessment proceedings not having been completed. Once the same are completed either the Holding Company will manage to get these amounts refunded from the respective authorities or will be eligible for set off against legitimate liabilities to them, if any. The Management is very confident of resolving these assessments favorably and recovery of the amount.
- 25.9 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and reconciliation.
- 25.10 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

These accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**MULRAJ D GALA**

**Chartered Accountant**

**Membership No : 041206**

**MUMBAI**

**30th May, 2019**

**FOR AND ON BEHALF OF THE BOARD**

**JAYANT MITRA**

**DIRECTOR**

**DIN: 00801211**

**ALI MOHAMMED UKANI**

**DIRECTOR**

**DIN: 07649612**

**Form AOC-1**
**Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**
**Part "A": Subsidiaries**

(INR in Lakhs)																
Sr. No.	Name of Subsidiary Company	Currency	Exchange rate	Share Capital	Reserves And Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding	Country	
1.	IT Capital Services Pvt. Ltd.	INR	1.00											99.99%	India	
2.	Orient Information Technology FZ-LLC-UAE	AED												99.99%	UAE	

**Part-"B": Associates and Joint Ventures**

(INR in Lakhs)										
Sr.no	Name of the Associate Company	Latest Audited balance sheet date	Share of Associates held by the company on the year end			Description of how there is significant influence	Reason why the associate is not consolidated	Networth attributable to shareholding as per latest Balance sheet	Profit / loss for the year	
			No. of shares(in lakh)	Amount of Investment in Associates	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1.	Universal Commodity Exchange Limited	-	-	-	-	-	-	Not Available	Not Available	Not Available

Note: There is no business in the subsidiaries since past 3 years and Associate Company and Universal Commodity Exchange Limited has been strike off by the Ministry of Corporate Affairs

Notes:

- Indian rupees equivalents of the figures given in the currencies in the account of the subsidiary company is based on the exchange rates on 31st March,2019.
- Reporting period subsidiary and associate companies is 31st March, 2019

**MULRAJ D GALA**

**FOR AND ON BEHALF OF THE BOARD**

**Chartered Accountant**

**JAYANT MITRA**

**ALI MOHAMMED UKANI**

**Membership No : 041206**

**DIRECTOR  
DIN: 00801211**

**DIRECTOR  
DIN: 07649612**

**MUMBAI**

**30th May, 2019**

**COMMEX TECHNOLOGY LIMITED**
**CIN: L72900MH2000PLC123796**

 Registered Office Address: B-401, Unit No 42, 4th Flr, Vasudev Chambers, Opp Wilson Pen Company, Old Nagardas Road, Andheri (E), Mumbai: 400069 Email: [cs@commextechnology.com](mailto:cs@commextechnology.com)
**ATTENDANCE SLIP**
**19th Annual General Meeting on Saturday, 14th September, 2019 at 10.00 A.M**

<b>Registered Folio No./</b>	
<b>DP ID/Client ID</b>	
<b>No. of Shares</b>	
<b>Name and address of the Member(s)</b>	
<b>Joint Holder 1</b>	
<b>Joint Holder 2</b>	

**Serial No. 1**

I/We hereby record my/our presence at the 19th Annual General Meeting of the Company to be held on Saturday, 14th September, 2019 at Event Banquet Hall, Near Filmistan Studio, S.V. Road, Goregaon (W), Mumbai: 400062.

.....  
 Member's/Proxy's name in Block Letters

.....  
 Member's/Proxy's Signature

***Please hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM***

Note: Please read carefully the instructions given in the Notice for voting through the e-voting platform. The voting period begins on 11th September, 2019 at 09.00 A.M and ends on 13th September, 2019 05.00 P.M (IST). The voting module shall be disabled by CDSL for voting thereafter.

<b>EVSN (Electronic Voting Sequence Number)</b>	<b>*Default PAN</b>
<b>190812023</b>	

\*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan Field.



**COMMEX TECHNOLOGY LIMITED**

**CIN: L72900MH2000PLC123796**

Registered Office Address: B-401, Unit No 42, 4th Flr, Vasudev Chambers, Opp Wilson Pen Company, Old Nagardas Road, Andheri (E), Mumbai: 400069 Email: [cs@commextechnology.com](mailto:cs@commextechnology.com)

**PROXY FORM**

Name of the Member(s) :
Registered address :
E-mail Id :
Folio No./Client ID No:
DP ID :

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

1.

<b>Name</b>			
<b>Address</b>			
<b>E-mail ID</b>		<b>Signature:</b>	

2.

<b>Name</b>			
<b>Address</b>			
<b>E-mail ID</b>		<b>Signature:</b>	

3.

<b>Name</b>			
<b>Address</b>			
<b>E-mail ID</b>		<b>Signature:</b>	

or failing him \_\_\_\_\_ as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting, to be held on **Saturday, 14th September, 2019 at Event Banquet Hall, Near Filmistan Studio, S.V. Road, Goregaon (W), Mumbai: 400062** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution Nos.:**

1. To receive, consider and adopt the audited Balance Sheet as on 31st March 2019 and Statement of Profit & Loss Account for the year ended as on that date, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayant Dolatrai Mitra (DIN 00801211) who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Mr. Jayant Mitra (DIN: 00801211) as Managing Director of the Company
4. To appoint Mr. Mahesh Doifode (DIN:08518066) as an Independent Director of the Company

Resolution No.	Description	*For	Against
1.	To receive, consider and adopt the audited Balance Sheet as on 31 <sup>st</sup> March 2019 and Statement of Profit & Loss Account for the year ended as on that date, together with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Jayant Dolatrai Mitra (DIN 00801211) who retires by rotation and being eligible offers himself for re-appointment.		
3	To re-appoint Mr. Jayant Mitra (DIN: 00801211) as Managing Director of the Company		
4.	To appoint Mr. Mahesh Doifode (DIN: 08518066) as an Independent Director of the Company		

Signed this \_\_\_\_\_ day of September, 2019

Signature of Shareholder

Signature of Proxy Holder(s)

**Notes:**

1. Please put (✓) or (x) in the box in the appropriate column against the respective resolutions. If you leave the For or Against column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she deems fit.
2. A Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013 a person can act as proxy on behalf of not more than 50 members and holding in aggregate not more than 10 % of the total share capital of the Company. Members holding more than 10% of the total share capital may appoint a single person as proxy, who shall not act as proxy for any other member.
3. This form of Proxy to be effective should be deposited at the registered office of the Company not later than 48 hours before the commencement of the aforesaid meeting.



To,

*If undelivered, please return to :*



(Formerly known as IT People (India) Ltd.)

B-401, Unit No.- 42,  
4th Floor, Vasudev Chamber,  
Opp Wilson Pen Company,  
Old Nagardas Road, Andheri (East),  
Mumbai - 400069  
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