

# FINANCIAL STATEMENTS

## **S.V. Trading Limited**

### **Financial Statements**

**For the Quarter and Year Ended  
March 31, 2020 and 2019  
Along with Report of Independent Auditor**

### **Rakesh Jain, CPA PC**

**Certified Public Accountant**

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# **S.V. Trading Limited**

**Quarter and Year Ended March 31, 2020 and 2019**

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**REPORT OF INDEPENDENT AUDITOR**

**To**  
**The Board of Directors,**  
**S.V. Trading Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **S.V. TRADING LIMITED** ("the company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the quarter and year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit & loss and its cash flows for the quarter and year ended on that date.

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

1. As required by Section 143 (3) of the Act, we report that:

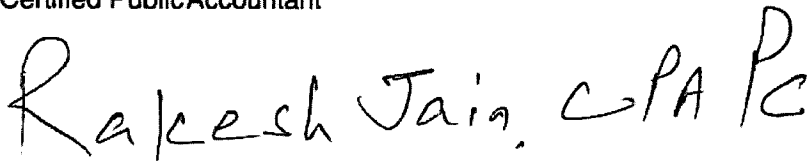
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

**Rakesh Jain, CPA PC**  
**CERTIFIED PUBLIC ACCOUNTANT**

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- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations as on March 31, 2020;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

**For Rakesh Jain, CPA PC**  
Certified Public Accountant



Rakesh Jain  
Certified Public Accountant

Date: May 25, 2020  
Place: Sugarland, TX, USA

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# **FINANCIAL STATEMENTS**

**S. V. Trading Limited**  
**Balance Sheet as at 31st March, 2020**

S.No.	Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019
			Amount (USD)	Amount (USD)
<b>I.</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Financial assets			
	(i) Investments	5	39,378,100	38,560,758
(2)	<b>Current Assets</b>			
	(a) Financial assets			
	(i) Cash and cash equivalents	6	517,246	524,166
	(ii) Loans	7	8,744,808	8,744,808
	(iii) Other financial assets	8	805,000	805,000
	<b>TOTAL ASSETS</b>		<b>49,445,154</b>	<b>48,634,732</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	9	8,950,001	8,950,001
	(b) Other equity	10	33,527,379	33,162,167
	<b>Liabilities</b>			
(1)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	6,958,511	6,515,301
	(ii) Other financial liabilities	12	9,263	7,263
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>49,445,154</b>	<b>48,634,732</b>

Significant Accounting Policies and  
Notes to Financial Statements

1-17

*Rakesh Jain, CPA PC*

Rakesh Jain,  
CPA PC

Certified Public Accountant  
Dated : May 25, 2020

**Rakesh Jain,**  
**CPA PC**

**Certified Public  
Accountant**

For and on Behalf of the Board of Directors

*Anil K. Kejriwal*  
Anil K. Kejriwal  
Director

**S.V. Trading Limited**  
**Statement of Profit and Loss for the Year Ended 31st March, 2020**

S. No.	Particulars	Note No	(USD)			
			Quarter Ended		Year Ended	
			31.03.2020 Limited reviewed /unaudited	31.12.2019 Limited reviewed /unaudited	31.03.2020 Audited	31.03.2019 Audited
	<b>Continuing operations :-</b>					
	Revenue from operations	13				
	Other income	14	203,219	205,452	191,030	
	Expenses				817,342	
	Finance costs	15	110,267	111,458	443,430	
	Other expenses	16	2,000	2,000	8,700	
	Total expenses		112,267	113,458	452,130	
	Total		90,952	91,994	365,212	
I	Profit/(loss) before tax					
II	Tax expense:					
III	Profit/(loss) for the year (I-II)					
IV	Other Comprehensive Income		90,952	91,994	88,706	
	<b>B (f) Items that will be reclassified to profit or loss</b>					
	(f) Equity instruments through other comprehensive income					
	Income tax effect on above					
	Total Other Comprehensive Income (from Continuing operations )					
V	Total Comprehensive Income for the year (III+IV)		90,952	91,994	88,706	
	(Comprising Profit (Loss) and Other Comprehensive Income for the year)					
	Attributable to:					
	Owners of the Parent					
	Non-controlling interest					
VI	Earnings per equity share					
	For continuing operation (\$):					
	(1) Basic and Diluted		0.01	0.01	0.01	
	- On Equity Share of Face Value USD 1		19,816	20,043	19,327	
	- On Equity Share of Face Value USD 1,950,000		71,136	71,951	69,379	
	- On Equity Share of Face Value USD 7,000,000				285,640	
	Total				280,732	

Significant Accounting Policies and Notes  
to Financial Statements

*Rakesh Jain CPA PC*  
**Rakesh Jain,**  
**CPA PC**  
**Certified Public**  
**Accountant**  
 Dated : May 25, 2020

1-17

For and on behalf of the Board of Directors

*Anil K. Kejriwal*  
**Anil K. Kejriwal**  
 Director

**S.V. Trading Limited**  
**Statement of Changes in Equity for the quarter Ended 31st March, 2020**

**A. Equity Share Capital**

	Balance at the beginning of April 1, 2018	Changes in equity share capital during the year 2018-19	Balance as at March 31, 2019	Changes in equity share capital during the year 2019-20	Balance as at March 31, 2020
USD.	8,950,001	-	8,950,001	-	8,950,001

**B. Other Equity**

Particulars	Share application money		Reserves and Surplus		Items of Other Comprehensive Income		Total	Total (USD)
	pending allotment (USD)	Share application money pending allotment	Retained Earnings (USD)	Equity Instruments through Other Comprehensive Income (USD)	items that will not be reclassified to profit and loss	Total other comprehensive income		
Balance at beginning of 1st April, 2018	-	-	34,135,131	(1,331,900)	-	(1,331,900)	32,803,231	
Profit (loss) for the year	-	-	358,935	-	-	-	358,935	
other Comprehensive Income for the year	-	-	-	-	-	-	-	
Balance as at 31st March, 2019	-	-	34,494,067	(1,331,900)	-	(1,331,900)	33,162,167	
Balance at beginning of 1st April, 2019	-	-	34,494,067	(1,331,900)	-	(1,331,900)	33,162,167	
Profit (loss) for the Year (19-20)	-	-	365,212	-	-	-	365,212	
other Comprehensive Income for the year	-	-	-	-	-	-	-	
Balance as at 31st March, 2020	-	-	34,859,279	(1,331,900)	-	(1,331,900)	33,527,379	

Significant Accounting Policies and Notes to Financial Statements

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For and on Behalf of the Board of Directors

*Rakesh Jain, CPA PC*  
**Rakesh Jain,**  
 CPA PC

*Anil K. Kejriwal*  
**Anil K. Kejriwal,**  
 Director

Certified Public Accountant  
 Dated : May 25, 2020  
**Rakesh Jain,**  
 CPA PC

**Certified Public  
 Accountant**

## S.V. Trading Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	USD	USD
<b>A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	365,212	358,935
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	365,212	358,935
Adjustments for:-		
Interest expenses	443,210	414,981
Interest Income	(817,342)	(774,731)
Loans and advances and other assets		
Current Liabilities	2,000	-
CASH GENERATED FROM OPERATIONS	(6,920)	(815)
NET CASH INFLOW / ( OUTFLOW ) FROM OPERATING ACTIVITIES	(6,920)	(815)
<b>B. CASH INFLOW/(OUTFLOW)FROM INVESTMENT ACTIVITIES</b>		
(Increase)/Decrease in Non-Current Investment	-	-
NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES	-	-
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		
Interest paid	-	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	-	-
NET CHANGES IN CASH AND CASH EQUIVALENTS	(6,920)	(815)
Cash and cash equivalents at beginning of the year	524,166	524,981
Exchange difference on translation of Foreign Currency cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	517,246	524,166

1. Figures in brackets indicate cash out flows.

2. The above cash flow statement has been prepared under the indirect method set out in IND AS-7 'Cash Flow Statements'.

3. Increase/(decrease) in long term and short term borrowings are shown net of repayments.

*Rakesh Jain, CPA PC*

Rakesh Jain,

CPA PC

Certified Public Accountant

Dated: May 25, 2020

**Rakesh Jain,**  
**CPA PC**  
**Certified Public**  
**Accountant**

For and on Behalf of the Board of Directors

*Anil K. Kejriwal*  
Anil K. Kejriwal

Director

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

**1. Corporate and General Information**

SV Trading Limited ("SVT" or "the Company") incorporated under the laws of Island of Nevis, with its office located at P.O. Box 556, Main Street, Charles Town, Nevis.

**2. Basis of preparation**

The financial statements have been prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented. The financial statement has been prepared considering all IND AS as notified by MCA till reporting date i.e. March 31, 2020

The standalone financial statements provide comparative information in respect to the previous year.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Standalone Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

**3. Significant Accounting Policies**

**3.1 Basis of Measurement**

The financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortised cost,

**3.2 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

**3.3 Foreign currency reinstatement and translation**

*(a) Functional and presentation currency*

Financial statements have been presented in USD which is the Company's functional currency. Company being non-integral subsidiary of holding company, all the revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange Gain arising on conversion is recognized in the foreign currency translation reserve and in case of loss, the same is charged to profit and loss appropriation account and carried to balance of accumulated losses.

*(b) Transactions and balances*

Foreign currency transactions are recorded at the exchange rate prevailing at the date of transaction. Monetary foreign currency assets and liabilities are translated at the yearend exchange rates. All exchange differences are dealt with in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

**3.4 Financial instruments – initial recognition, subsequent measurement and impairment**

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.

**a) Financial Assets**

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

**Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

**Investment in equity shares**

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

**b) Financial Liabilities**

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

**i. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

**ii. Financial liabilities measured at amortised cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

***Trade and other payables***

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**3.5 Equity share capital**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

**3.6 Taxation**

The profit of the company is not subject to income tax. Hence, no provision for taxation is provided for. No deferred tax assets have been created as the company is not subject to income tax.

**3.7 Revenue recognition and other operating income**

**Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend**

Dividend income is recognised when the right to receive dividend is established.

**3.8 Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue ) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**3.9 Investment in Subsidiaries**

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

**3.10 Investment in Joint ventures and associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Companies investment in joint ventures and associates is carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

**3.11 Current versus non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

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

**3.12 Standards issued but not yet effective**

The new standards, amendments to standards that are issued but not yet effective are discussed below:

Title of standard	Ind AS 116, Leases
Nature of change	<p>Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019.</p> <p>Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased term) and a financial liability to pay rentals for virtually all leases contracts. An optional exemption exists for short-term and low-value assets.</p> <p>The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.</p> <p>Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.</p> <p>The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p>
Impact	<p>The Company is in the process of assessing the detailed potential impact of Ind AS 116, Leases on its financial statements and related disclosures. The Company will be able to reasonably estimate the impact of Ind AS 116 on the financial statement after completion of above stated assessment.</p>
Date of adoption	<p>The Company intends to adopt the standard using the modified retrospective transition approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of April 1, 2019 and that comparatives will not be restated.</p>

**4. Critical accounting estimates, assumptions and judgements**

In the process of applying the Company's accounting policies, management has made estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

**SV Trading Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Notes to Financial Statements**

**5. Non-Current Investments-Non Trade**

Sr.	PARTICULARS	As at 31st March,2020			As at 31st March,2019		
		No.	Face Value (USD)	Amount (USD)	No.	Face Value (USD)	Amount (USD)
<b>A</b>	<b>Investment in Subsidiaries (Unquoted)(at cost)</b>						
	<b>Equity Shares</b>						
	Jindal Saw USA LLC	1,50,00,000	USD 1	1,50,00,000	1,50,00,000	USD 1	1,50,00,000
	100 % Interest in World Transload & Logistics LLC	-	-	5,00,000	-	-	5,00,000
	<b>Interest</b>						
	75% partnership interest in 5101 Boon LLP	-	-	82,00,000	-	-	82,00,000
<b>B</b>	<b>Investment in other Entities (Unquoted)(at FVOCI)</b>						
	<b>Equity Shares</b>						
	Jindal Tubular USA LLC	13,31,900	USD 1	-	13,31,900	USD 1	-
	Equity component of 0.01% Non-Cumulative Preference Shares			-			-
	Investment in preference shares(Unquoted)(at amortised cost)						
<b>C</b>	<b>0.01 % Non-Cumulative Preference Shares</b>						
	Jindal Tubular USA LLC	1,56,78,100	USD 1	1,56,78,100	1,56,78,100	USD 1	1,48,60,758
	Debt component of 0.01 % Non-Cumulative Preference Shares						
	<b>TOTAL</b>			<b>3,93,78,100</b>			<b>3,85,60,758</b>
	Aggregate value of unquoted investment			<u>3,93,78,100</u>			<u>3,85,60,758</u>

<b>6. CASH AND CASH EQUIVALENTS</b>			
<b>Balances with Banks</b>			
On current accounts		5,17,246	5,24,166
<b>Total Cash and Cash equivalents</b>		<b>5,17,246</b>	<b>5,24,166</b>
<b>7. CURRENT LOANS</b>			
<b>Loans to related party</b>			
Unsecured, considered good			
- Jindal Saw USA LLC		65,16,642	65,16,642
- Interest accrued on Jindal Saw USA LLC		22,28,166	22,28,166
<b>Total Loan</b>		<b>87,44,808</b>	<b>87,44,808</b>
<b>8. OTHER CURRENT FINANCIAL ASSETS</b>			
Unsecured, considered good			
Jindal Saw Holdings FZE		8,05,000	8,05,000
<b>Total Other Current Financial Assets</b>		<b>8,05,000</b>	<b>8,05,000</b>

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Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Amount (USD)		Amount (USD)	
<b>9. EQUITY SHARE CAPITAL</b>				
<b>(a) Issued</b>				
(i) 1 (previous year 1) Equity Shares of USD 1/- each	1		1	
(ii) 1 (previous year 1) Equity Shares of USD 1950000/- each	19,50,000		19,50,000	
(iii) 1 (previous year Nil) Equity Shares of USD 7000000/- each	70,00,000		70,00,000	
	<b>89,50,001</b>		<b>89,50,001</b>	
<b>(b) Subscribed and Fully Paid-Up</b>				
(i) 1 (previous year 1) Equity Shares of USD 1/- each	1		1	
(ii) 1 (previous year 1) Equity Shares of USD 1950000/- each	19,50,000		19,50,000	
(iii) 1 (previous year Nil) Equity Shares of USD 7000000/- each	70,00,000		70,00,000	
<b>Total Share Capital</b>	<b>89,50,001</b>		<b>89,50,001</b>	
<b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR</b>	No. of Shares		No. of Shares	
Equity Share of Face value of USD 1 fully paid up	1		1	
Equity Share of Face value of USD 19,50,000 fully paid up	1		1	
Equity Share of Face value of USD 70,00,000 fully paid up	1		1	
<b>Shares outstanding at the end of the year</b>	<b>3</b>		<b>3</b>	
<b>(c) SHARE OF THE COMPANY HELD BY :-</b>	No. of Shares	Face Value of share	No. of Shares	Face Value of share
Its Holding Company - Jindal Saw Limited, India	1	1	1	1
Its Holding Company - Jindal Saw Limited, India	1	1950000	1	1950000
Its Holding Company - Jindal Saw Limited, India	1	7000000	1	7000000
<b>(d) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</b>				
<b>Name of the Shareholder</b>	<b>No. of Shares Held</b>	<b>% of Holding</b>	<b>No. of Shares Held</b>	<b>% of Holding</b>
Jindal Saw Limited, India (one share of face value of 1 USD ,one share of face value of USD 1950000 and another share of face value of USD 7000000)	3	100	3	100
<b>(e) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:</b>	Nil		Nil	
<b>10. Other Equity</b>				
<b>(f) Retained earnings</b>				
Opening Balance	3,31,62,167		3,28,03,231	
Add: net Profit / (Loss) for the year	3,65,212		3,58,935	
<b>Total Retained earnings</b>	<b>3,35,27,379</b>		<b>3,31,62,167</b>	
<b>CURRENT LIABILITIES</b>				
<b>11. SHORT-TERM BORROWINGS</b>				
<b>Unsecured</b>				
<b>Loans from related parties</b>				
Jindal Saw Limited	69,58,511		65,15,301	
<b>Total Short term borrowings</b>	<b>69,58,511</b>		<b>65,15,301</b>	
<b>Total Short Term Borrowings</b>	<b>69,58,511</b>		<b>65,15,301</b>	
<b>12. OTHER CURRENT FINANCIAL LIABILITIES</b>				
Outstanding Other Financial Liabilities	9,263		7,263	
<b>Total Other Current Financial Liabilities</b>	<b>9,263</b>		<b>7,263</b>	

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Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
	Amount (USD)	Amount (USD)
<b>13.REVENUE FROM OPERATIONS</b>	-	-
<b>14.OTHER INCOME</b>		
Interest on preference shares at amortised cost	8,17,342	7,74,731
<b>15. FINANCE COST</b>		
Interest Expense	4,43,210	4,14,981
Bank and Finance charges	220	50
<b>Total Finance Cost</b>	<b>4,43,430</b>	<b>4,15,031</b>
<b>16. OTHER EXPENSES</b>		
<b>Administrative, Selling and Other Expenses</b>		
Legal and professional		
Other Professional Fees	700	765
Audit Fee	8,000	-
Bad Debts written off	-	-
Loss on Foreign Exchange	-	-
<b>Total Other Expenses</b>	<b>8,700</b>	<b>765</b>

**17A. Financial risk management**

**a) Liquidity risk**

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in USD)

Particulars	As at March 31, 2020					Total
	Carrying Amount	Over Due	Less than 6 months	6 to 12 months	> 1 years	
Borrowings	69,58,511	-	69,58,511	-	-	69,58,511
Other liabilities	9,263	7,263	2,000	-	-	9,263
<b>Total</b>	<b>69,67,774</b>	<b>7,263</b>	<b>69,60,511</b>	<b>-</b>	<b>-</b>	<b>69,67,774</b>

(Amount in USD)

Particulars	As at March 31, 2019					Total
	Carrying Amount	Over Due	Less than 6 months	6 to 12 months	> 1 years	
Borrowings	65,15,301	-	65,15,301	-	-	65,15,301
Other liabilities	7,263	7,263	-	-	-	7,263
<b>Total</b>	<b>65,22,564</b>	<b>7,263</b>	<b>65,15,301</b>	<b>-</b>	<b>-</b>	<b>65,22,564</b>

**SV Trading Limited**  
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**b) Interest rate risk and sensitivity**

Company's borrowings are fixed rate borrowings hence company is not exposed to changes in market interest rates.

**17B. Related party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

**Related parties**

**A. Parent Company**

S.No.	Name of the entity in the group
1	Jindal Saw Ltd

**B. Subsidiaries**

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding /	
				As at March 31, 2020	As at March 31, 2019
1	Jindal Saw USA, LLC	USA	Pipes for oil & gas	100%	100%
2	World Transload & Logistics LLC	USA	Investment Holding	100%	100%
3	5101 Boone LLP	USA	Property Holding	75%	75%

**C. Indirect Subsidiaries**

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding / Voting	
				As at March 31, 2020	As at March 31, 2019
	<b>Indirect Subsidiaries</b>				
1	Tube Technologies INC	USA	Pipes for oil and gas	100%	100%
2	Helical Anchors INC	USA	Helical anchor manufacturing	100%	100%
3	Boone Real Property Holding LLC	USA	Property holding	100%	100%
4	Drill Pipe International LLC	USA	Tools and fittings	100%	100%

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**D. Fellow Subsidiaries**

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities
1	Jindal ITF Limited	India	Coal Logistics
2	IUP Jindal Metals & Alloys Limited	India	Precision Stainless steel strips
3	Quality Iron and Steel Limited	India	Investment holding
4	Ralael Holdings Limited	Cyprus	Investment holding
5	Jindal Saw Holdings FZE	UAE	Investment holding
6	Greenray Holdings Limited	UK	Investment holding
7	Jindal Tubular (India) Limited	India	Steel Pipe manufacturing
8	JITF Shipyards Limited	India	Inland shipping
9	Jindal X LLC (w.e.f. January 6, 2020)	USA	Call Centre and advisory
10	Jindal Saw Middle East FZC	UAE	Ductile Iron Pipe and Fittings manufacturing
11	Derwent Sand SARL	Algeria	Trading of pipes
12	Jindal Saw Gulf LLC.	UAE	Ductile Iron Pipe and Fittings
13	Jindal International FZE	UAE	Investment holding
14	Jindal Intellicom Limited	India	BPO and Call centre
15	iCom Analytics Limited	India	Call Centre and advisory
16	Jindal Quality Tubular Limited	India	Steel Pipe manufacturing
17	Sulog Transshipment Services Limited	India	Inland and ocean going shipping
18	Jindal Intellicom, LLC	USA	BPO and Call centre

**E. Fellow Associate/Joint Venture**

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities
1	Jindal Fittings Limited	India	Ductile iron fittings manufacturing
2	Jindal MMG, LLC	USA	healthcare consulting

**F. Entities over which Related Party having Significant Influence**

S.No.	Name of the entity in the group
1	Four Seasons Investment Ltd
2	Jindal Tubular USA LLC

**G. Key Management Personnel**

S.No.	Name of KMP	Designation
1	Mr. Anil Kejriwal	Director

**SV Trading Limited**  
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S. No.	Particulars	Relation with the company	Year ended March 31, 2020	Year ended March 31, 2019
			USD	USD
i)	<b>Interest Expenses :-</b> Jindal Saw Limited	Parent Company	4,43,210	4,14,981
ii)	<b>Interest Earned :-</b> Jindal Tubular USA LLC	KMP	8,17,342	7,74,731

**Outstanding Balances:**

S. No.	Particulars	Relation with the company	As at March 31, 2020	As at March 31, 2019
			USD	USD
i)	<b>Loan Payable :-</b> Jindal Saw Limited	Parent Company	69,58,511	65,15,301
ii)	<b>Loan Receivable :-</b> Jindal Saw USA LLC	Subsidiary Company	87,44,808	87,44,808
iii)	<b>Investment Outstanding :-</b>			
a)	<b>Equity Shares</b>			
	Jindal Saw USA LLC	Subsidiary Company	1,50,00,000	1,50,00,000
	100 % Interest in World Transload & Logistics LLC	Subsidiary Company	5,00,000	5,00,000
	75 % partnership interest in 5101 Boon LLP	Subsidiary Company	82,00,000	82,00,000
b)	<b>Investment in preference shares</b>			
	Debt component of 0.01 % Non-Cumulative Preference Shares			
	Jindal Tubular USA LLC	KMP	1,56,78,100	1,48,60,758
iv)	<b>Share Capital</b>			
a)	<b>Equity Shares</b>			
	Jindal Saw Limited	Parent Company	89,50,001	89,50,001
v)	<b>Receivables</b>			
	Jindal Saw Holdings FZE	Fellow Subsidiary	8,05,000	8,05,000

**17C . Earnings per share (EPS) Basic and Diluted**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	USD	USD
Profit/(Loss) After Tax	3,65,212	3,58,935
No. of Equity Shares Issued		
Face Value USD 1	1	1
Face Value USD 1950000	19,50,000	19,50,000
Face Value USD 7000000	70,00,000	70,00,000
Basic and diluted Earning Per Share of face value of USD 1	0.04	0.04
of face value of USD 1950000	79,571	78,204
of face value of USD 7000000	2,85,640	2,80,732

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The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

Notes 1 to 17 are annexed and form integral part of Financial Statements.