

**30TH
ANNUAL REPORT
2019-2020**

 **Cubical Financial Services Limited**



BOARD OF DIRECTORS

Mr. Ashwani Kumar Gupta *Managing Director*
Mr. Ashish Bhala *Independent Director*
Mrs. Manju Goyal *Non-Executive Director*
Mr. Manoj Jain *Independent Director*

COMPANY SECRETARY

Ms. Ruchi Singh

CHIEF FINANCIAL OFFICER

Mr. P.C. Sharma

AUDITORS

M/s. Krishan Rakesh & Co.
Chartered Accountants
143, 2nd Floor, Kohat Enclave, Pitampura,
Delhi-110034

SECRETARIAL AUDITOR

Mukesh Kumar Agarwal
Company Secretaries
3029, Sant Nagar, Rani Bagh, Pitampura,
Delhi-110034

BANKERS

HDFC Bank Ltd.
Aggarwal Millennium Tower-II,
Netaji Subhash Place,
Pitampura, Delhi-110 034

REGISTERED OFFICE

456, Aggarwal Metro Heights,
Netaji Subhash Place,
Pitampura, Delhi-110 034

REGISTRAR & SHARE TRANSFER AGENTS

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Center,
New Delhi-110 062

Contents	Page No.
Notice	4-12
Director's Report	13-31
Corporate Governance Report	32-42
Auditor's Report	43-46
Balance Sheet	47
Profit & Loss Accounts	48
Cash Flow Statement	49
Notes	50-69
Other Notes on Accounts	70-74



NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of Company will be held on Wednesday, 23rd September, 2020 at 2:00 P.M. through Video Conferencing / Other Audio Visual Means (VC) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Manju Goyal (DIN: 07143651), who retires by rotation, and being eligible offers herself for re-appointment.
3. Appointment of Auditor

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

“Resolved that, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, Messrs STRG & Associates, Chartered Accountants (Registration No. 14826N), be and are hereby appointed as the Auditors of the Company from the conclusion of this Meeting to hold for a period of five years till the conclusion of the Annual General Meeting of the Company to be held in the year 2025, at a remuneration mutually agreed between the Board and the auditor.”

SPECIAL BUSINESS

4. Re-appointment of Mr. Ashish Bhala (DIN: 00009996) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Ashish Bhala (DIN: 00009996), who holds office of Independent Director up to the conclusion of this AGM and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Bhala’s candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are 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.”

5. Approval of material related party transactions

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/approve all existing contracts/arrangements/ agreements/transactions and to enter into new/ further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations, amendments or renewal thereto), in the ordinary course of business and on arm’s length basis with Rajgul securities limited and Mr. Sunil Bhala being ‘Related Parties’ within the meaning of the Act and the Listing Regulations, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company parties.



RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

By Order of the Board
for **CUBICAL FINANCIAL SERVICES LIMITED**

Place: New Delhi
Date : 25.08.2020

Sd/-
(Ashwani Kumar Gupta)
Managing Director
(DIN: 00348616)

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) for the matter included in the notice, which is unavoidable and therefore proposed for seeking approval at AGM, is enclosed herewith.
2. Pursuant to provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and secretarial standards, the particulars of Director seeking appointment/reappointment at this Annual General Meeting are annexed to the Notice.
3. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
4. In terms of the MCA/SEBI Circulars since the requirement of physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for 30th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 30th AGM through VC/OAVM Facility and e-Voting during the 30th AGM.
5. Members may join the AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 1:45 p.m. IST i.e. 15 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/ OAVM facility 15 minutes after the scheduled time to start the AGM.
6. Members may note that the VC/OAVM Facility, provided by CDSL, allows participation upto 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend 30th AGM without any restriction on account of first-come-first-served principle.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website <http://www.cubicalrealtors.com> and the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
9. Members whose email address are not registered can register the same in the following manner:



- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **cubfinser@yahoo.com / beetalrta@gmail.com**.
 - For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **cubfinser@yahoo.com / beetalrta@gmail.com**.
10. Central Depository Services (India) Limited (“CDSL”) be providing facility for voting through remote e-Voting, for participation in the AGM through VC/OAVM Facility and e-Voting during the 30th AGM.
 11. The Company has fixed, September 16, 2020 as the Cut-off Date for remote e-voting. The remote e-voting/ voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e. Thursday, September 16, 2020 only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.
 12. Mr. Mukesh Agarwal, Practicing Company Secretary (Membership No. 5991) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 13. The Scrutinizer(s) shall immediately after the conclusion of voting at the meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast 2(two) witnesses not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers’ Report of the votes cast in favour or against, if any, not later than 3 (three) days of conclusion of the meeting to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or any other person authorized by him in writing shall declare the results of the voting forthwith. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.cubicalrealtors.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared. The Company shall simultaneously forward the results to the Stock Exchange where the shares of the Company are listed.
 14. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

The instructions for members for remote e-voting are as under: -

- A. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility of voting by electronic means viz. ‘remote e-voting’ (e-voting from a place other than venue of the AGM) through CDSL, for all Members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of 30th AGM of the Company.
- B. The remote e-voting period begins on September 20, 2020 at 9:00 a.m. (IST) and ends on September 22, 2020 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the Cut-off Date i.e. September 16, 2020, may cast their votes electronically. The remote e-voting module shall be disabled after 5:00 p.m. (IST) on September 22, 2020. The facility for electronic voting system, shall also be made available at the AGM. Members attending the AGM, who have not cast their votes through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their votes again at the AGM.
- C. The shareholders should log on to the e-voting website www.evotingindia.com.
- D. Click on Shareholders module.
- E. 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.

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (d) Next enter the Image Verification as displayed and Click on Login.



- (e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (f) If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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 in the PAN field. • 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 Khushal Joshi with sequence number 1 then enter KH00000001 in the PAN field.
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 the instruction (v).</p>

- (g) After entering these details appropriately, click on "SUBMIT" tab.
- (h) 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.
- (i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (j) Click on the EVSN for the relevant "**CUBICAL FINANCIAL SERVICES LIMITED**" on which you choose to vote.
- (k) 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.
- (l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (m) 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.
- (n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (o) You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (p) If the Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (q) 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. Apple 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.
- (r) 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 and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 mailed to 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cubfinser@yahoo.com and magarwalandco@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same
- (s) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. may follow the same instructions as mentioned above for e-Voting.
- (t) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

- a) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- b) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- c) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cubfinser@yahoo.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cubfinser@yahoo.com. These queries will be replied to by the company suitably by email.
- f) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

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



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

By Order of the Board
For **CUBICAL FINANCIAL SERVICES LIMITED**

Date: 25.08.2020
Place: New Delhi

sd/-
(Ashwani Kumar Gupta)
Managing Director
(DIN: 00348616)
Registered Office:
456, Aggarwal Metro Heights,
Netaji Subhash Place, Pitampura, New Delhi-110034
CIN: L65993DL1990PLC040101
E-mail:- cubfinser@yahoo.com
Website: www.cubicalrealtors.com



**Annexure to the Notice
Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

ITEM NO.3

M/s Krishan Rakesh & Co . Chartered accountant will complete their present term on conclusion of this AGM in as per Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s. STRG & Associates Chartered Accountants (Regd. No. 14826N), as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 35th AGM.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. STRG & Associates Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

STRG & Associates established in the year 1997. As on 31st March, 2020, the said network of audit firms had four partners.

M/s. STRG & Associates have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. The Board recommends this Resolution for your approval.

ITEM NO. 4

Mr. Ashish Bhala was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 30th September, 2015 to hold office upto the AGM to be held in 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on 25th August, 2020 after taking into account the performance evaluation of Mr. Ashish Bhala, during his first term of five years and considering the knowledge, acumen, expertise and experience in his fields and the substantial contribution made by him during his tenure as an Independent Director since his appointment, has recommended to the Board that continued association of him as an Independent Directors would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. Ashish as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 23rd September 2020 upto the AGM held in 2025, and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Ashish Bhala for his appointment to the office of Independent Directors.

Mr. Bhala has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Bhala fulfils the conditions specified in the Act for their appointment as an Independent Directors.

The Company has also received from the above directors:-

- (i) the consent in writing to act as Director and
- (ii) Intimation that they are not disqualified under section 164(2) of the Companies Act, 2013.



- (iii) A declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

A copy of the draft letter for the appointment of the above Directors as Independent Director setting out the terms and conditions would be available on the website of the Company at www.cubicalrealtors.com

The other details including the shareholding of Director have been given in the attached annexure.

The Board recommends the Resolutions for re-appointment of the Independent Director as Special Resolutions of this notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Ashish Bhala and his relatives, has any concern or interest, financial or otherwise, in the resolution at Item No. 4 of this Notice.

ITEM NO. 5

Pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 (‘Rules’), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm’s length basis.

However, pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’), approval of the members through ordinary resolution is required for all material related party transactions, even if they are entered into in the ordinary course of business and on arm’s length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a Financial Year exceed 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are on arm’s length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required.

The Company has existing arrangements with Sunil Bhala and Rajgul securities Private Limited, which is in the ordinary course of business and at arm’s length basis. However, the estimated value of transaction (existing and proposed) is likely to exceed 10% of the annual consolidated turnover of the Company for the financial year ended on March 31, 2020 for Mr. Sunil Bhala and for Rajgul Securities Pvt. Ltd. its exceeds by 10% of the annual consolidated turnover of the Company and may exceed the materiality threshold as prescribed under Regulation 23 of the Listing Regulations. Thus, these transactions would require the approval of the Members by way of Ordinary Resolution. Both the above are ‘Related Party’ as per definition under Section 2(76) of the Companies Act, 2013 and as per applicable Accounting standards.

Sr. No.	Name of Related Party	Nature of Relationship	Nature of transaction
1.	Mr. Sunil Bhala	Relative of director	Professional charges
2.	Rajgul Securities Private Limited	Common Director	Loan and advances

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all entities falling under the definition of related parties shall not vote to approve any related party transaction, irrespective of whether the entity is a party to the transaction or not. Therefore, none of the Promoter Group entities holding more than 20% or more of the share holding will not vote on the above Resolution.

The Board considers that the proposed arrangements with the related parties are in the ordinary course of business. Except Mr. Ashish Bhala who holds directorship in Rajgul Securities Private Limited and also is a relative of Mr. Sunil Bhala none of the directors and key managerial personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.



The Board recommends the Ordinary Resolution as set out in Item No.5 of this Notice for approval of the Members.

Details of Directors seeking appointment at the forthcoming Annual General Meeting with respect to Item Nos. 3 and 4 in the Notice pursuant to provisions of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards.

MANJU GOYAL

Mrs. Manju Goyal 53 Years of age, is a graduate in Arts. She is member of the Nomination & Remuneration Committee, Stakeholders Relationship Committee and Audit Committee of Cubical Financial Services Limited. Mrs. Manju Goyal is not a Director in any other Company in India. Further other details as required by Secretarial Standards are given below.

Mr. Ashish Bhala

Mr. Ashish Bhala aged 37 is the Fellow Member of the Institute of Chartered Accountant India and has around 19 years of financial experience. He is Chairman of the Audit Committee of Cubical Financial Services Limited and member of Nomination & Remuneration Committee, Stakeholders Relationship Committee of Cubical Financial Services Limited. Further other details as required by Secretarial Standards are given below.

PARTICULARS	MANJU GOYAL	Ashish Bhala
Date of first Appointment	31.03.2015	07.06.2010
Qualifications	BA	CA
Experience	5 years	19 Years
Directorships held in other Companies (excluding foreign Companies)	Nil	1. Rajgul securities private limited 2. Rajgul commtrade private limited 3. Capital and concepts advisors private limited 4. Suksham finlease and investment private limited
Memberships/Chairmanships of Committees of other Companies	Nil	
Number of shares held in the Company	Nil	72240
Relationship with other Directors/ KMP's	No relationship with other Directors	No relationship with other Directors
Remuneration	Nil	Nil
Terms of appointment	Liable to retire by rotation	Not liable to retire by rotation
Number of meetings of the Board attended during the year	6	6

By Order of the Board
For **CUBICAL FINANCIAL SERVICES LIMITED**
Sd/-

Date: 25.08.2020
Place: New Delhi

(Ashwani Kumar Gupta)
Managing Director
(DIN: 00348616)



DIRECTORS REPORT

**The Shareholders,
Cubical Financial Services Limited
Delhi**

Your Directors take pleasure in presenting the 30th Annual Report of the company along with the Audited Statement of Account for the year ended on March 31, 2020 together with the Auditors Report thereon.

FINANCIAL RESULTS	<i>(Rs. in lakhs)</i>	
PARTICULARS	<i>For the year ended 31.03.2020</i>	<i>For the year ended 31.03.2019</i>
Total Revenue	108.98	367.05
Total Expenditure	68.09	308.77
Depreciation/Provisions	0.00	0.00
Profit/(Loss) before Tax	40.89	58.28
Exceptional and extraordinary items	0.00	0.00
Provisions for Taxation	11.67	15.65
Profit/(Loss) after Tax	29.22	42.63
Paid up Equity Capital	1303.40	1303.40

STATE OF COMPANY'S AFFAIR, OPERATING RESULTS AND PROFITS

The beginning of 2020 has witnessed the global spread of COVID 19, i.e. coronavirus one that profoundly not just impacts economy but the global economy and its people at large. Due to pandemic the Company's business has reduced due to limited participation by the institutional in the stock market activity of the company. Further Company also lost 10 productive days in Q4 FY20 resulting in lower acquisition of loan accounts.

During the year under review your company has earned a profit of Rs. 29.22 lacs as compared to Profit earned of Rs.42.63 Lacs in the previous year.

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, no changes have occurred in the nature of the Company's business.

DIVIDEND

Your directors do not recommend any dividend for the financial year 2019-20.

TRANSFER TO RESERVES

Rs. 853000 has been transferred to reserves.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATES

The Company does not have any subsidiary/associate/joint venture company for the year ended on 31st March, 2020.

PUBLIC DEPOSITS

During the year under review, your Company has not invited or accepted any deposits. There are no unpaid or unclaimed deposits as on the date with the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars as required under Section 134 (3) (m) of the Companies Act, 2013 in respect of the conservation of energy and technology absorption have not been furnished considering the nature of business undertaken by the Company during the year under report.



SHARE CAPITAL

The issued, subscribed and paid-up Equity Share Capital as on 31st March, 2020 was Rs. 130,340,000 comprising of 65,170,000 Equity Shares of the face value of Rs.2 each. The Company has neither issued shares with differential rights as to dividend, voting or otherwise, nor has issued sweat equity shares. As on 31st March, 2020, none of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

Pursuant to section 186 (11) of the Companies Act, 2013 ('Act'), the provisions of section 186(4) of the Act requiring disclosure in the financial statement of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report.

Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statement.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Director

Appointment

During the financial year 2019-20 no Director was appointed.

Re-appointment

Under Section 152(6) of the Companies Act, 2013 Mr. Manju Goyal (DIN: 07143651) shall retire at the ensuing AGM and being eligible, seeks re-appointment. The Board recommends his appointment.

As per Section 149 of the Companies Act, 2013, Mr. Ashish Bhala- reappointed as Independent Director at the ensuing AGM and being eligible, seeks re-appointment. The Board recommends his appointment.

Resignation

During the financial year 2019-20 no Director was resigned.

Key Managerial Personnel

Following officials are appointed as the Key Managerial Personnel ("KMP") of the Company:-

- Mr. Ashwani Kumar Gupta, Managing Director;
- Mr. Prakash Chand Sharma, Chief Financial Officer; and
- Ms. Ruchi Singh, Company Secretary

Remuneration and other details of the KMP are mentioned in the extract of the Annual Return which forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are a few significant material Related Party Transactions made by the Company with other related parties. Disclosures as required under Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are given in "Annexure A" in Form AOC 2 as specified under the Companies Act, 2013.

All Related Party Transactions are placed before the Audit and Risk Management Committee for approval as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Prior omnibus approval of the Audit and Risk Management Committee is obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to such omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit and Risk Management Committee on a quarterly basis.



None of the Non-Executive Directors has any pecuniary relationships or transactions vis-à-vis the Company. The Policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors of the Company is uploaded on the website of the Company and same can be accessed on the web link www.cubicalrealtors.com.

AUDITORS

Statutory Auditors

It is proposed to appoint M/s. STRG & Associates (Firm Reg. No.14826N), as Auditors of the Company for five years till the conclusion of the Annual General Meeting of the Company to be held in the year 2025. A certificate of eligibility has been received from the Auditors to the effect that they are not disqualified for appointment under Section 141(3) of the Companies Act, 2013.

Auditor's Observation

The existing Statutory Auditors does not contain any qualification, reservation and adverse remarks in their report.

Secretarial Auditors

The Board has appointed Mr. Mukesh Kumar Agarwal, Practicing Company Secretary, to conduct Secretarial Audit for the FY 2019-20. The Secretarial Audit Report for the Financial Year ended 31st March, 2020 is at "**Annexure B**".

The said report does not contain any qualification, reservation and adverse remarks.

Internal auditors

Upon the recommendation of the Audit Committee, the Board of Directors has appointed M/s Dalmia and Jain, Chartered Accountants, as the Chief Internal Auditor of the Company for conducting the internal audit for the Financial Year 2019-20.

Cost record and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provision of Section 148(1) of the Companies Act 2013 are not applicable for the business activities carried out by the Companies.

REPORTING OF FRAUD BY AUDITOR

During the year under review, neither the statutory auditor nor the Secretarial auditor reported to the audit committee, under section 143(12) of the companies Act, 2013, any instant of fraud committed against the company by its officers or employees the details of which would need to be mentioned in the Board's report.

PARTICULARS OF EMPLOYEES

During the year under review no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013 the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days (Except Saturday) of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided hereunder:

**1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Executive Director	Ratio to median remuneration
Ashwani Kumar Gupta	5.26%
Non Executive Director	-
Ashish Bhalla	-
Manoj Jain	-
Manju Goyal	-

2. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year.

Director, Chief Executive Officer, Chief Financial Officer, Company Secretary	% increase in remuneration in the financial year
Ashwani Kumar Gupta	-
Ashish Bhalla	-
Manoj Jain	-
Manju Goyal	-
Prakash Chand Sharma	-
Manisha Agrawal	-

3. The percentage increase in the median remuneration of employees in the financial year: Nil**4. The number of permanent employees on the rolls of Company: 8****5. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:** The Company has not made any public offer in the recent past and accordingly, comparison of Public Offer Price and the current market price of the Company Shares will not be relevant.**6. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There was (27.2379) % average percentile Decrease in the salaries of the employees in comparison to the last financial year.

There is no Increase in the managerial remuneration during the year under review.

7. Affirmation that the remuneration is as per the remuneration policy of the Company

The Company affirms remuneration is as per the remuneration policy of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance. It also has a team of internal auditors to conduct internal audit. Audit firms also ensure that all transactions are correctly authorised and reported. The reports are reviewed by the Audit Committee of the Board. Wherever deemed necessary, internal control systems are strengthened and corrective actions initiated.

SECRETARIAL STANDARD

The Company complies with all applicable mandatory secretarial standards issued by the institute of Company Secretary of India.

**RISK MANAGEMENT POLICY**

The Board of the Directors feels that there is no such risk element which may threaten the existence of the company. However the Board of Directors are in processes of developing the risk management policy.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2020 forms part of this Report and is appended herewith as “ANNEXURE C”.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which financial statement relate and date of the report.

NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

BOARD EVALUATION

In line with the requirement of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on 10th February, 2020, wherein the performance of the non-independent directors including Chairman was evaluated.

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to active participation at the Board and Committee meetings.

POLICY ON DIRECTORS' AND KMP'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' and KMP's appointment and their remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' Report.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**1. Qualifications of Independent Directors**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

2. Positive attributes of Independent Directors

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively;



exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of Independent Directors

An Independent director should meet the requirements of the Companies Act, 2013 and Listing Regulations concerning Independence of directors.

INDEPENDENT DIRECTORS DECLARATION

The Company has received the necessary declaration from each ID in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CERTIFICATE BY PRACTICING COMPANY SECRETARY

The Company has received certificate from Mr. Mukesh Agarwal Proprietor of Mukesh Agarwal & Co., Practising Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate of Affairs or any such authority. The certificate is attached as “**ANNEXURE D**”.

COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the membership and attendance of the meetings of the above Committees of the Board are provided in the Corporate Governance Report.

REPORT ON CORPORATE GOVERNANCE

A separate section on Corporate Governance along with reports on Management Discussion & Analysis and Certificate from a Practising Company Secretary regarding compliance of conditions of Corporate Governance are made part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, (“Act”) your Directors confirm that:

- i. In the preparation of the annual accounts for financial year ended 31st March, 2020, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- ii. 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 at 31st March, 2020 and of the profit of the Company for the year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts for financial year ended 31st March, 2020 on a 'going concern' basis.
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.



- vi. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

- 1 The Company have promoted ethical behaviour in all its business activities and has established a vigil mechanism for Directors and Employees to report their genuine concerns.
- 2 The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through the Whistle Blower Policy, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.
- 3 As per the Whistle Blower Policy implemented by the Company, the Employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Company.
- 4 The Whistle Blower Policy provides for protected disclosure and protection to the Whistle Blower. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices.

The Whistle Blower Policy has been appropriately communicated within the Company and has also been hosted on the website of the Company www.cubicalrealtors.com. No personnel have been denied access to the Audit Committee.

ACKNOWLEDGEMENTS:

The directors take this opportunity to thank company's customers, bankers for their consistent support and co-operation to the company. Your directors also acknowledge with appreciation the support and co-operation rendered by various Govt. agencies and Departments. Your Directors would also like to thank all the employees of the Company for their dedicated efforts and hard work put in for the success of the Company. Your Directors also wish to express their gratitude to the Shareholders for the confidence reposed by them in the company and for the continued support and co-operation.

On behalf of the Board
For **CUBICAL FINANCIAL SERVICES LIMITED**

Place : New Delhi
Date : 25.08.2020

Sd/-
(Ashwani Kumar Gupta)
Managing Director
DIN: 00348616

Sd/-
(Ashish Bhala)
Director
DIN: 00009996



**ANNEXURE – A
FORM AOC 2**

Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form 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:*

1. Details of contracts or arrangements or transactions not at arm's length basis:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

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

NAME OF RELATED PARTY & NATURE OF RELATIONSHIP	NATURE OF CONTRACT/ ARRANGEMENT/ TRANSCATIONS	DURATION OF CONTRACT/ ARRANGEMENT/ TRANSCATIONS	AMOUNT PAID/ RECEIVED AS ADVANCE	AMOUNT PAID AS ADVANCE, IF ANY
Mrs. Rita Gupta	Lease Agreement	As per Agreement	80,000 per month	NIL
Mr. Sunil Bhala	Professional Service	As Per Agreement	1,00,000 per month	NIL

For and Behalf of the Board
For CUBICAL FINANCIAL SERVICES LIMITED

Place : New Delhi
Date : 25.08.2020

Sd/-
(Ashwani Kumar Gupta)
Managing Director
DIN: 00348616

Sd/-
(Ashish Bhala)
Director
DIN: 00009996



ANNEXURE-B

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

**To,
The Members,
Cubical Financial Services Limited
456, Aggarwal Metro Heights,
Netaji Subhash Place, Pitampura
New Delhi-110034**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cubical Financial Services 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 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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Cubical Financial Services Limited** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;



- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited and Delhi Stock Exchange (where the shares of the Companies are listed) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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 reasonably 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 decision is carried through and recorded as part of the minutes.

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, the Company has no specific event/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Delhi
Date: 12.08.2020

for Mukesh Agarwal & Company
Sd/-
Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991B000573789



Annexure-A

To,
The Members,
Cubical Financial Services Limited
456, Aggarwal Metro Heights,
Netaji Subhash Place, Pitampura
New Delhi-110034

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.

Place: Delhi
Date: 12.08.2020

for Mukesh Agarwal & Company
Sd/-
Mukesh Kumar Agarwal
M No-F5991
C P No.3851



ANNEXURE-C
FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR
ENDED ON 31ST MARCH, 2020.

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L65993DL1990PLC040101
Registration Date	11.05.1990
Name Of The Company	CUBICAL FINANCIAL SERVICES LIMITED
Category / Sub-Category Of The Company	Public Company Limited By Shares
Address Of The Registered Office And Contact Details Netaji Subhash Place, Pitampura,	456, Aggarwal Metro Heights, New Delhi-110034, Phone No. 011-45645347
Whether Listed Company Yes / No	Yes.
Name, Address and Contact details of Registrar and Transfer Agent, if any	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, Dada Harsukhdas Mandir, New Delhi-110006 (P) 011-29961281, (F) 011-29961284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL. NO.	NAME AND DESCRIPTION MAIN PRODUCTS/SERVICE	NIC CODE OF THE PRODUCT/SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Trading and Investment in securities and Loans	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL	NIL	NIL	NIL	NIL



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

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD							
	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (1 APRIL, 2019)				NO. OF SHARES HELD AT THE END OF THE YEAR (31 MARCH, 2020)			
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES
A. Promoters								
Indian								
Individual / HUF	20,075,137	-	20,075,137	30.8043	20,075,137	-	20,075,137	30.8043
Central Government	-	-	-	-	-	-	-	-
State Government	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-
Sub-total (A)(1)	20,075,137	-	20,075,137	30.8043	20,075,137	-	20,075,137	30.8043
Foreign								
NRIs-Individual	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-
Banks/Financial Institutions	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	20,075,137	-	20,075,137	30.8043	20,075,137	-	20,075,137	30.8043
B. Public Shareholding								
1. Institutions								
Mutual Funds	-	-	-	-	-	-	-	-
Banks/Financial Institutions	-	-	-	-	-	-	-	-
Central Government	-	-	-	-	-	-	-	-
State Government	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-
2. Non-Institutions								
a) Bodies Corporate								
i) Indian	14,779,409	128,500	14,907,909	22.88	14,518,774	128,500	14,647,274	22.4755
ii) Overseas	-	-	-	-	-	-	-	-
b) Individuals								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,387,054	2,120,125	3,507,179	5.382	1,437,856	2,118,625	3,556,481	5.4572



CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD							
	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (1 APRIL, 2019)				NO. OF SHARES HELD AT THE END OF THE YEAR (31 MARCH, 2020)			
	DEMAT	PHYSICAL	TOTAL	%OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	%OF TOTAL SHARES
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	24,761,092	56,000	24,817,092	38.081	24,951,592	56,000	25,007,592	38.3729
c) Others								
(i) NRI	11,691	4500	16191	0.02	31,691	4500	36191	0.055
(iii) HUF	1,846,492	0	1,846,492	2.83	1,846,751	0	1,846,751	2.83
(iii) Clearing Member	0	0	0	0	0	0	74	0.0001
(iv) Trust	0	0	0	0	500	0	500	0.0008
Sub-Total (B) (2)	4,27,85,738	23,09,125	4,50,94,863	69.196	4,27,87,238	23,07,625	4,50,94,863	69.196
Total Public Shareholding (B)=(B)(1)+ (B) (2)	4,27,85,738	23,09,125	4,50,94,863	69.196	4,27,87,238	23,07,625	4,50,94,863	69.196
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	62,860,875	2,309,125	65,170,000	100	62,862,375	23,07,625	65,170,000	100

ii) SHAREHOLDING OF PROMOTERS

SL. NO.	SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR (1 ST APRIL 2019)			SHARE HOLDING AT THE END OF THE YEAR (31 ST MARCH 2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Company	
1	Ashwani Kr. Gupta	16,383,572	25.14	Nil	16,383,572	25.14	Nil	Nil
2.	Rita Gupta	36,91,565	5.66	Nil	36,91,565	5.66	Nil	Nil



iii) CHANGE IN PROMOTERS' SHAREHOLDING

Particulars	Date	Reason	Shareholding at the Beginning of the year (1 st April 2019)		Cumulative Shareholding During (1 st April, 2019 to 31 st March, 2020)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
There is no change in the promoter's shareholding of the Company during the year ended on 31 st March 2020						

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

S.NO.	TOP 10 SHAREHOLDERS	SHAREHOLDING AS ON 1ST APRIL, 2019		COMULATIVE SHAREHOLDING AS ON 31ST MARCH, 2020	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	Rupesh Jha	6315015	9.69	6315015	9.69
2.	Richi Khemka	3342963	5.13	3342963	5.13
3.	Rupesh Jha	3201550	4.91	3201550	4.91
4.	Raj Rani Securities (P) Limited	3070000	4.71	3070000	4.71
5.	Mridul Krishan	3000000	4.60	3000000	4.60
6.	Saras Developers Pvt. Ltd.	2179355	3.34	2179355	3.34
7.	Shree Aeran Marketing Pvt. Ltd.	2095000	3.21	2095000	3.21
8.	Rama Krishna Infrasel Private	409399	0.62	1930940	2.9629
9.	Rakesh Relan	1935779	2.97	1435779	2.20
10.	Firozudin	1418000	2.17	1418000	2.17

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated

**(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

S.NO.	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR (1 ST APRIL 2019)		SHAREHOLDING AT THE END OF THE YEAR (31 ST MARCH 2020)	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF COMPANY
	DIRECTOR				
1.	Ashwani Kumar Gupta	16,383,572	25.14	16,383,572	25.14
2.	Ashish Bhala	72240	0.11	72240	0.11
3.	Manoj Jain	1,16,085	0.17	1,16,085	0.17
	KMP				
1.	Ashwani Kumar Gupta	14,383,672	25.14	16,383,572	25.14
2.	Prakash Chand Sharma (CFO)	2000	0.003	2000	0.003

V. INDEBTEDNESS**INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT:**

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the Financial Year				
• Addition	—	—	—	—
• Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the Financial Year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

S. No.	PARTICULARS OF REMUNERATION	NAME OF MD/WTD / MANAGER	TOTAL AMOUNT
1	Name	Ashwani Kumar Gupta	—
	Designation	Managing Director	—
	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600000	600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission - As % of profit - Others, specify...	—	—
5	Others, please specify	—	—
	Total (A)	600000	600000
	Ceiling as per the Act	—	—

B. REMUNERATION TO OTHER DIRECTORS:

S. No.	PARTICULARS OF REMUNERATION	NAME OF MD/WTD/MANAGER		TOTAL AMOUNT
1	Independent Directors	Ashish Bhala	Manoj Jain	
	• Fee for attending board / committee meetings	60,000	50,000	1,10,000
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	1,10,000
2	Other Non-Executive Directors	Manju Goyal		
	• Fee for attending board / committee meetings	60,000		60,000
	• Commission	NIL		NIL
	• Others, please specify	NIL		NIL
	Total (2)	NIL		60,000
	Total (B) = (1+2)	NIL		1,70,000

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

S. No.	PARTICULARS OF REMUNERATION	NAME OF KEY MANAGERIAL PERSONNEL			TOTAL AMOUNT
		P.C. Sharma	Ruchi Singh	Manisha Agarwal	
	Name	P.C. Sharma	Ruchi Singh	Manisha Agarwal	-
	Designation	CFO	CS	CS	-
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	357000 - -	100000	20000	477000 - -
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission - As % of profit - Others, specify...	-	-	-	
5	Others, please specify	-	-	-	
	Total	357000	100000	20000	477000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishments/compounding of offences for the year ended 31 March, 2020.

On behalf of the Board
For **CUBICAL FINANCIAL SERVICES LIMITED**

Place: New Delhi
Date: 25.08.2020

Sd/-
(Ashwani K. Gupta)
Managing Director
DIN-00348616

Sd/-
(Ashish Bhala)
Director
DIN-00009996



ANNEXURE-D

CERTIFICATE PERTAINING TO DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

Cubical Financial Services Limited (“the Company”)

456, Aggarwal Metro Heights, Netaji Subhash Place,
Pitampura Delhi North - 110034

We, Mukesh Agarwal & Co., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Cubical Financial Services Limited having CIN L65993DL1990PLC040101 and having registered office at **456, AGGARWAL METRO**

HEIGHTS,NETAJI SUBHASH PLACE, PITAMPURA DELHI North Delhi DL 110034 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (**including Directors Identification Number (DIN) status at the portal www.mca.gov.in**) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name Of Director	DIN	Date of Appointment in Company
1.	Manoj Jain	00009740	12/07/2017
2.	Ashish Bhala	00101276	07/06/2010
3.	Ashwani Kumar Gupta	00348616	01/10/2004
4.	Manju Goyal	07143651	31/03/2015

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

**For Mukesh Agarwal & Co.
Company Secretary**

Sd/-

**Mukesh Kumar Agarwal
Proprietor**

C.P. No. 3851

UDIN : F005991B000573734

**Place: New Delhi
Dated: 12.08.2020**

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2020****1. A Brief Statement on Company’s Philosophy on Code of Governance :**

Corporate Governance is an integral part of values, ethics and the best business practices followed. The core values of the company are:

- Commitment to excellence
- Socially valued enterprise and
- Maximizing long term shareholders’ value
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practice with the ultimate aim of enhancing long-term shareholders’ value and commitment to high standard of business ethics. The company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with the stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. Board of Directors:

- i. As on March 31, 2020, the Company has 4 directors. Composition of the Board as on March 31st, 2020.

Category	No. of Directors	Percentage
Executive Director	1	25
Non Executive Independent Director	2	50
Other Non Executive Director	1	25
Total	4	100

- ii. 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, 2020 have been made by the directors.
- iii. All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 (“Act”).
- iv. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2020 are given herein below

Name of the Director	Category	No. of Board Meeting during the year		Whether attended last AGM held on 27th September 2019	No. of Directorships in other public Companies	No. of Committee position held in other public Companies	
		Held	Attended			Chairman	Member
Mr. Ashwani Kumar Gupta	Executive Director	6	6	Yes	Nil	Nil	Nil
Mr. Manoj Jain	Non Executive Independent Director	6	5	Yes	2	Nil	Nil
Mr. Ashish Bhalla	Non Executive Independent Director	6	6	Yes	Nil	Nil	Nil
Mrs. Manju Goyal	Non Executive Director	6	6	Yes	Nil	Nil	Nil

During the year 06 (Six) Board meetings were held on 18th April 2019, 28th May 2019, 6th June 2019, 13th Aug 2019, 11th November 2019, and 10th February 2020.

**3. Audit Committee :**

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013. All the recommendations made by the Audit Committee were accepted by the Board.
- ii. The terms of reference of the audit committee are broadly as under:
 - Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
 - Approval of payment to statutory auditors for any other services rendered by statutory auditors;
 - Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings and follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- iii. **The composition of the audit committee as at 31st March, 2020 and the details of meetings attended by its members are given below:**

Name	Category	No. of Meetings during the Financial year 2019-20	
		Held	Attended
Mr. Ashish Bhala (Chairman)	Non Executive Independent Director	4	4
Mr. Manoj Jain (Member)	Non Executive Independent Director	4	4
Mrs. Manju Goyal (Member)	Non Executive Non Independent Director	4	4

Four audit committee meetings were held during the year on 28th May 2019, 13th August 2019, 11th November 2019 and 10th February 2020.

Nomination and Remuneration Committee

- (i) **The broad terms of reference of the nomination and remuneration committee are as under:**
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - Formulation of criteria for evaluation of Independent Directors and the Board;
 - Devising a policy on Board diversity;
 - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
 - Oversee familiarisation programmes for directors.
 - Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- (ii) **The composition of the Nomination and Remuneration committee as at 31st March, 2020 and the details of meetings attended by its members are as follows:**

Name	Category	No. of Meetings during the Financial Year 2019-20	
		Held	Attended
Mr. Manoj Jain (Chairperson)	Non Executive Independent Director	2	2
Mr. Ashish Bhalla (Member)	Non Executive Independent Director	2	2
Mrs. Manju Goyal (Member)	Non Executive Non Independent Director	2	2

During the year, One meeting of the nomination and remuneration committee were held on 6th June, 2019, 13th August, 2019.



(iii) Remuneration policy:

Remuneration to Executive Directors and Company's employees is decided after considering the following factors:

- (i) Restrictions specified in various Acts like Companies Act, Income Tax. Etc.
- (ii) Market trend for remuneration paid for similar positions.
- (iii) Performance of the person in the Company.
- (iv) Profits of the company.

The Company also does not pay any Sitting Fees or Commission to its Non Executive Directors. However, remuneration to other employees and KMP's is based on the above mentioned criteria.

(v) Details of remuneration to all the directors are provided hereunder

Name	Designation	Remuneration paid during the Financial Year 2019-20		
		Sitting Fees	Salary and Perquisites	Total
Ashwani Kumar Gupta	Managing Director	60,000	6,00,000	6,00,000
Ashish Bhalla	Non Executive Independent Director	60,000	NIL	NIL
Manoj Jain	Non Executive Independent Director	50,000	NIL	NIL
Manju Goyal	Non Executive Director	60,000	NIL	NIL

(vi) Details of equity shares of the Company held by the directors as on March 31, 2020 are given below:

Name	No. of Equity shares held
Ashwani Kumar Gupta	16383572
Ashish Bhalla	72,240
Manoj Jain	1,16,085
Manju Goyal	NIL

4. Stakeholder's Relationship Committee

- (i) The Company had a stakeholder's relationship committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend /notices/ annual reports, etc.
- (ii) Four meeting of the Stakeholders' Relationship committee was held during the year on 28th May, 2019, 13th August 2019, 11th November 2019, and 10th February 2020.
- (iii) The composition of the Stakeholders' Relationship Committee as at 31st March, 2020 and the details of meetings attended by its members are given below:

Name	Category	No. of Meetings during the Financial Year 2019-20	
		Held	Attended
Mr. Manoj Jain(Chairperson)	Non Executive Independent Director	4	4
Mr. Ashish Bhalla (Member)	Non Executive Independent Director	4	4
Mrs. Manju Goyal (Member)	Non Executive Non Independent Director	4	5

**Name, designation and address of Compliance Officer**

Ms. Ruchi
Company Secretary
Cubical Financial Services Limited
456, Aggarwal Metro Heights, Netaji Subash Place, Pitampura,
New Delhi – 110034
Tel.: +91 – 11 – 45645347
Email: cubfinser@yahoo.com

Details of investor complaints received and redressed during the year 2019-20 are as follows

Received during the year	Resolved during the year	Closing balance
NIL	NIL	NIL

5. General Body meetings:**(i) Annual General Meeting**

Financial Year	Date	Time	Venue
2018-19	27 th September, 2019	10 A.M.	Multipurpose Community Centre, Ghoga Village, Near Main Bus Stop, New Delhi-110039
2017-18	27 th September, 2018	10 A.M.	Multipurpose Community Centre, Khera Khurd Village, New Delhi-110082
2016-17	27 th September, 2017	10 A.M.	Multipurpose Community Centre, Ghoga Village, Near Main Bus Stop, New Delhi-110039

Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the Financial Year 2019-20.

(ii) Special Resolutions passed in the previous 3 AGMs:

2018-2019-NIL

2017-2018-NIL

2016-2017-NIL

(iii) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year under review, no special resolution has been passed through the exercise of postal ballot.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot pattern.

7. Disclosures:

(i) There are no material significant related party transactions, which may have potential conflict with the interest of the company. Member may refer notes to accounts attached with the Balance Sheet in the Annual Report for the related party transactions.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the securities and exchange board of India or any statutory authority, on any matter related to capital markets, during the last three years 2016-17, 2017-18 and 2018-19 respectively: NIL

(iii) The Company has adopted a whistle blower policy and has established the necessary vigil mechanism employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link www.cubicalrealors.com.



- (iv) The details of the programme for familiarisation of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company www.cubicalrealtors.com

8. Means of Communication:

(a) Quarterly results:

The quarterly, half yearly and annual financial results are published in The Pioneer(English) and The Pioneer (Hindi) and promptly furnished to the Stock Exchanges where shares of the company are listed, for display on their respective websites. The company is also providing regular information to the Stock Exchanges as per the requirements of the Listing Agreements. During the financial years under review, the company published its financial results as per detail hereunder:

Financial Results	Newspaper	Date of publication
For the quarter ended 30 th June, 2019	The Pioneer (English) The Pioneer (Hindi)	14.08.2019
For the quarter ended 30 th September, 2019	The Pioneer (English) The Pioneer (Hindi)	12.11.2019
For the quarter ended 31 st December, 2019	The Pioneer (English) The Pioneer (Hindi)	11.02.2020
For the Financial Year ended 31 st March, 2020	As Per the circular SEBI/HO/CFD/CMD1/CIR/ P/2020/dated May, 12, 2020 SEBI has relaxed the publication requirement	

- (b) **Website :** The Company's website (<http://www.cubicalrealtors.com>) contains all shareholders' and other information. The Company's Annual Report is also available in a downloadable form.

9. General Shareholder information:

(i) Annual General Meeting :

- Date and Time : Wednesday, September 23, 2020 at 2:00 P.M.
(ii) Financial Calendar : 1st April 2019 to 31st March 2020
(iii) Book Closure Date : Saturday, 17th September, 2020 to
Friday 23rd September, 2020
(iv) Dividend Payment : NA
(v) Listing on Stock Exchange : Bombay Stock Exchange, (BSE) Mumbai
(vi) Stock Code BSE : 511710

The Annual Listing Fees for the financial year 2019-20 has been paid to Bombay Stock Exchange.



(vii) Market price data: High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2019-20 on BSE

Month	High	Low	No. of shares traded
April 2019	1.05	1.05	-
May, 2019	1	1.05	0
June, 2019	1.10	1.10	-
July, 2019	-	-	0
August, 2019	1.05	1.05	0
September, 2019	1.05	1.10	0
October, 2019	1.09	1.14	0
November, 2019	1.09	1.19	0
December, 2019	1.00	1.05	-
January, 2020	0.95	1.00	0
February, 2020	0.91	0.95	0
March, 2020	1.15	1.02	0

(viii) Registrar and Transfer Agents :

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Center, New Delhi – 110062

(ix) Share Transfer System :

Applications for transfer of shares held in physical form are received at the Regd. Office of the company as well at the office of Registrar and Share Transfer Agents of the company. All valid requests for transfers of shares are processed and dispatched within 15 days from the date of receipt. In respect of shares held in dematerialized form, all the requests for nomination, change of address and re-materialization, etc. are to be made only to the Depository Participant with whom the shareholders have opened their De-mat Account. In this respect the Registrar and Share Transfer Agents of the Company periodically receive from the Depository Participants the beneficially holdings so as to enable them to update their records and to send all corporate communications.

(x) Distribution of equity shareholding as on March 31, 2020:

(a)

Nominal Value of shares	No. of shareholders	No. of shares held	% of shareholding
1-5000	3033	1913655	2.9364
5001-10000	94	360182	0.5527
10001-20000	47	324492	0.4979
20001-30000	20	242666	0.3724
30001-40000	10	183922	0.2822
40001 -50000	10	223800	0.3434
50001-100000	17	672798	1.0324
100001 and above	52	61248485	93.9826
TOTAL	3283	65170000	100



 Categories of equity shareholders as on March 31, 2020:

Category	No. of Shares held	Percentage of shares held
Promoters	20075137	30.80
Bodies Corporate	14647274	22.48
NRI's- Non Repartriable	20541	0.03
NRI's- Repartriable	15650	0.02
Resident Individual	28564073	43.84
Resident Individual HUF	1846751	2.83
CLEARING MEMBER	74	0
TRUSTS	500	0

(b) Top ten equity shareholders of the Company as on March 31, 2020:

Name of the shareholder	No. of Shares held	Percentage of shares held
Ashwani Kumar Gupta	16383572	25.14
Rupesh Jha	6315015	9.69
Rita Gupta	3691565	5.66
Richi Khemka	3342963	5.13
Rupesh Jha	3201550	4.91
Raj Rani Securities (P) Limited	3070000	4.71
Mridul Krishan	3000000	4.60
Saras Developers Pvt Ltd	2179355	3.34
Shree Aeran Marketing Pvt Ltd	2095000	3.21
Rama Krishna Infrasoil Private Limited	1930940	2.96

(i) Dematerialisation of shares and liquidity:

The Company's shares are compulsorily traded in dematerialised form. Equity shares of the Company representing 96.45% of the Company's equity share capital are dematerialised as on March 31, 2020. The Company's equity shares are regularly traded on BSE in dematerialised form. Under the depository system, the international securities identification number (ISIN) allotted to the Company's shares is INE717D01023.

(ii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2020, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(iii) Plant Locations:

In view of the nature of business activities carried on by the Company, the Company operates from various offices in India and does not have any manufacturing plant.

(iv) Address for correspondence:

Cubical Financial Services Limited
 456, Aggarwal Metro Heights, Netaji Subash Place, Pitampura,
 New Delhi – 110034
 Tel.: +91 – 11 – 45645347
 Email: cubfinser@yahoo.com
 Website: www.cubicalrealtors.com



MANAGEMENT DISCUSSION AND ANALYSIS

a) Annual overlook and outlook

It has been a challenging year with several macro headwinds encompassing industrial, infrastructure and real estate market. Slow economic activity and liquidity challenges impacted the overall demand scenario in the industry.

Later part of the year also witnesses an unpredictable outbreak of corona virus sending global economic into tizzy affecting overall economy. Complete lockdown affect the supply chains and consumer sentiments. These disruptions impacted the overall performance of the Company for the year.

We are confident to lead the recovery in a shorter period after post pandemic phase and strive to sustain profitable growth

b) Industry Structure and Trends:

Capital Market is dependent on various external factors beyond the control of the Management. Factors like economy, Industrial Growth, Level of Export, Political Scenario, Reform initiatives of the Government. The participants having any dealing with Capital Market are affected directly by the movement in the market.

c) Opportunities and Threats:

The outlook in the year ended 31.03.2020 was mixed for the Capital Market. Keeping in view of the growth in the economy and investment made by the FII's sensex is scaling new heights and as results all concerned will be benefited. However capital market is dependent on various external factors sometimes beyond the control of the management.

Currently the biggest threat is COVID 19 and its impact. It is expected that overall NBFC business will be severely affected which would result to the turning of loan into NPA.

d) Outlook:

Major changes and long term economic reforms have been introduced by the Government. With the change in Government, new economic policies in terms of the common minimum program are expected which will have its own impact on the capital markets which will affect the market participants.

e) Risks & Concerns:

The volatility in Stock Market, economic situation of the country, market risk and client default risk are high in this business. Your company proposes to manage these risks by adopting effective risk management practices.

f) Internal Control System:

There is an effective system of monitoring internal control in the company and these Policies and Procedures are reviewed from time to time.

g) Financial performance:

The financial performance of the company has been covered in the Director's Report.



h) Human Resource Development:

The relations with employees continued to be cordial and progressive. The total number of employees in the company as on 31st March 2020 was 8 (Eight).

On behalf of the Board
For **CUBICAL FINANCIAL SERVICES LIMITED**

Place: New Delhi
Date: 25.08.2020

Sd/-
(Ashwani Kumar Gupta)
Chairman

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT UNDER REGULATION 17(5) SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2020.

Date: 25.08.2020
Place: New Delhi

Sd/-
Ashwani Kumar Gupta
(Managing Director)



CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of

CUBICAL FINANCIAL SERVICES LIMITED

I have examined the compliance of conditions of Corporate Governance by M/s **Cubical Financial Services Limited** ("the Company") for the year ended 31.03.2020, 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).

The compliance of conditions of Corporate Governance is the responsibility of the management; my examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that there are no investors' grievances pending for a period exceeding one month against the company as per the records maintained by the company.

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

Place : New Delhi
Dated : 12.08.2020

Sd/-
Mukesh Kumar Agarwal
Practicing Company Secretary
C.P. No. 3851
UDIN: F005991B000573745



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CUBICAL FINANCIAL SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **CUBICAL FINANCIAL SERVICES LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note No. 40 to the standalone financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The impact of these uncertainties on the Company's operations is dependent on future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters**(a) Transition to Ind AS accounting framework**

(as described in note 26 of the Ind AS financial statements)

The Company has adopted Ind AS from 1 April 2019 with an effective date of 1 April 2018 for such transition. For periods up to and including the year ended 31 March 2019, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2020, together with the comparative financial information for the previous year ended 31 March 2019 and the transition date Balance Sheet as at 1 April 2018 have been prepared under Ind AS.

The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions. In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date

have been areas of key focus in our audit.

How our audit addressed the key audit matter

- Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework.
- Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at transition date.
- Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.
- Tested the disclosures prescribed under Ind AS.

Responsibility of Management's for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



- higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
 - (d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - (e) Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31 March 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements/ information of NIL branches included in the standalone financial statements of the company whose financial statements/financial information reflect total assets of Rs. NIL as at 31st March 2020 and the total revenue of Rs. NIL for the year ended on that date, as considered in the standalone financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors. **N.A.**

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016 ("the Order")', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, „we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) In our opinion, the company has, in all material respects reasonably adequate internal financial controls system over financial reporting, keeping in view the size of the company, and nature of its business. Such Internal financial controls over the financial reporting were operating effectively as on 31.03.2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note "Audit of Internal Financial Controls Over Financial Reporting" issued by The Institute of Chartered accountants of India.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations on its financial position in its financial statements.
 - ii. According to the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS Firm
Regn No. 009088N

PLACE: DELHI
DATED : 29/06/2020
UDIN : 20087891AAAA

(K.K.GUPTA)
PARTNER
M No. 087891

**ANNEXURE - I REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2020**

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
c) According to information & explanation given to us, company does not have any immovable property.
2. As explained to us physical verification has been conducted by the management at reasonable intervals in respect of its Inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. As informed to us the company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act 2013.
4. According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186, wherever applicable, in respect of loans, investments and guarantees given by the company. We are informed that the company has not provided any security during the year.
5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 of the Companies Act 2013.
7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
b) We According to information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Octroi, entry tax and other statutory dues which have not been deposited on account of any dispute.
8. The company has not obtained any loan from Financial Institution, Banks, and Government during the period under Audit. The Company has not issued any debentures.
9. The company has not obtained any Term Loans during the year under audit. The company has not raised any money during the year by way initial or further public offer.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2020.
11. According to the information and explanations given to us, the managerial remuneration paid and provided by the company during the year is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
12. The provisions of clause (xii) of the order are not applicable as the company is not a Nidhi Company as specified in the clause.
13. According to information and explanations given to us we are of the opinion that Company has not entered into any related party transaction for the period under audit.
14. According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
15. According to information and explanation given to us the company has not entered into any non-cash transaction with the director or any person connected with him during the year.
16. According to the information and explanations given to us, In view of its business activities, the company has obtained registration under section 45IA of Reserve Bank of India Act, 1934.

**FOR KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 009088N**

**(K.K. GUPTA)
PARTNER
M.No. 087891**

**PLACE : DELHI
DATED : 29/06/2020**



AUDITORS' REPORT

The Board of Directors
CUBICAL FINANCIAL SERVICES LIMITED
New Delhi

Dear Sirs,

We have audited the Balance Sheet of **CUBICAL FINANCIAL SERVICES LIMITED**. as at 31st March, 2019, the statement of Profit & Loss and Cash flow statement for the year ended on that date.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 updated vide notification no. DNBS(PD)CC No. 280/03.02.001/2012-13 dated 2nd July, 2012 issued by Reserve Bank of India (RBI), we give hereunder our report on matters specified in paragraphs 3(A) and (C) of the said Directions.

1. The Company is engaged in the business of non –banking financial institution and has accordingly obtained a Certificate of Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
2. The company is entitled to hold the certificate of registration as aforesaid from the Bank in terms of asset/income pattern as on 31.3.2018.
3. The company is not an Assets Finance Company in term of criteria set forth by the Bank in Circular No. DNBB(PD)CC No. 85/3.02.089/2006-07 dated 6th December, 2006.
4. The company is not a Micro Finance Institution based on the criteria set forth in notification of the Bank namely "Non Banking finance company-Micro Finance Institution (Reserve Bank) Directions 2011.
5. The Board of Directors has passed a resolution for the non-acceptance of any public deposits.
6. The Company has not accepted any public deposits during the relevant year.
7. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, in term of Non Banking Financial (Non-Deposit Accepting or Holding) Company prudential norms (Reserve Bank) Directions 2007.
8. The Company is not a systemically important non deposit taking NBFC defined in para 2(1)(ix) of directions mentioned in para 7 above.

PLACE : DELHI
DATE : 29-06-2020

FOR KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 009088N
(K.K. GUPTA)
PARTNER
M.No. 087891



CUBICAL FINANCIAL SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Notes	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Assets				
Financial Assets				
a) Cash & cash equivalent	3	10,46,816.87	3,33,544.36	1,97,64,535.69
b) Loans and Advances	4	12,42,68,806.00	12,17,64,591.00	7,28,29,787.00
c) Investments	5	51,600.00	51,600.00	51,600.00
d) Other financial assets	6	0.00	7,79,224.61	12,55,268.79
Total Financial Assets		12,53,67,222.87	12,29,28,959.97	9,39,01,191.48
Non Financial Assets				
a) Current Tax assets	7	0.00	1,035.00	78,052.00
b) Deferred TAx assets	25	7,898.00	9,804.00	11,843.00
c) Inventories	8	61,61,275.00	51,15,000.00	3,00,68,354.84
d) Property plant and equipment	9	26,456.00	26,456.00	26,456.00
d) Other non Financial Assets	10	0.00	0.00	0.00
Total Non Financial Assets		61,95,629.00	51,52,295.00	3,01,84,705.84
Total Assets		13,15,62,851.87	12,80,81,254.97	12,40,85,897.32
Liabilities and Quity				
Liabilities				
Financial Liabilities				
a) Trade payables	11	9,22,432.00	96,972.00	10,44,800.00
b) Other financial liabilities	12	3,83,500.00	0.00	0.00
Total Financial liabilities		13,05,932.00	96,972.00	10,44,800.00
Non Financial Liabilities				
a) Current tax liability	13	73,795.00	7,52,137.00	1,57,844.00
b) Provisions	14	3,10,700.00	3,04,400.00	1,82,100.00
c) Other non Financial liabilities	15	85,390.00	62,410.00	98,750.00
Total Non-Financial liabilities		4,69,885.00	11,18,947.00	4,38,694.00
Equity				
a) Quity share capital	16	13,03,40,000.00	13,03,40,000.00	13,03,40,000.00
b) Other equity	17	(5,52,965.13)	(34,74,664.03)	(77,37,596.68)
Total equity		12,97,87,034.87	12,68,65,335.97	12,26,02,403.32
Total Liabilities and Equity		13,15,62,851.87	12,80,81,254.97	12,40,85,897.32

Significant accounting policies

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

1-2

3-43

In terms of our report of even date annexed

For KRISHAN RAKESH & COL
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Place : Delhi
Date: 29/06/2020

(K.K. Gupta)
Partner
M.No. : 087891

MG. Director
DIN : 00348616

Director
DIN : 00009996

CFO Company Secretary

ANNUAL REPORT47

**CUBICAL FINANCIAL SERVICES LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Revenue from operations			
Interest Income	18	1,01,13,763.00	82,49,262.00
Others	19	4,84,142.02	2,84,55,963.93
		1,05,97,905.02	3,67,05,225.93
Other Income	20	3,00,000.00	0.00
Total Income		1,08,97,905.02	3,67,05,225.93
Expenses			
Purchase of Shares	21	14,88,282.90	0.00
Change in Inventory	22	(10,46,275.00)	2,49,53,354.84
Employee Benefits Expenses	23	15,47,201.00	16,87,959.00
Depreciation and amortization expense	24	0.00	0.00
Other expenses		48,20,057.22	42,36,219.44
Total expenses		68,09,266.12	3,08,77,533.28
Profit before tax		40,88,638.90	58,27,692.65
Tax expenses:			
Current Tax			
Current year		(10,64,700.00)	(15,51,600.00)
Earlier year		(1,00,334.00)	(11,121.00)
Deferred tax			
Current year		(1,906.00)	(2,039.00)
Profit for the year / Total comprehensive income		29,21,698.90	42,62,932.65
Earning per share (Basic / Diluted) (Rs.)		0.04	0.07
Significant accounting policies		1-2	
The accompanying notes are an integral part of the financial statements.		3-43	

In terms of our report of even date annexed
For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Place : Delhi
Date: 29/06/2020

(K.K. Gupta)
Partner
M.No. : 087891

MG. Director
DIN : 00348616

Director
DIN : 00009996

CFO

Company Secretary



CUBICAL FINANCIAL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Net Profit before tax and extra ordinary items	40,88,638.90	58,27,692.65
Adjustment for :		
Expected Credit Loss/(Gain) on Standard Assets	6,300.00	1,22,300.00
Depreciation	0.00	0.00
	6,300.00	1,22,300.00
Operating Profit before Working Capital Facilities	40,94,938.90	59,49,992.65
Adjustment for :		
Trade & other receivable	(17,23,955.39)	(4,83,81,742.82)
Inventory	(10,46,275.00)	2,49,53,354.84
Trade payable	12,31,940.00	(9,84,168.00)
	(15,38,290.39)	(2,44,12,555.98)
Cash generated from operation	25,56,648.51	(1,84,62,563.33)
Tax paid	(18,43,376.00)	(9,68,428.00)
	(18,43,376.00)	(9,68,428.00)
Net Cash flow from operating activities	7,13,272.51	(1,94,30,991.33)
B. Cash flow from investing activities		
Purchase of fixed assets	0.00	0.00
Purchase of Investment	0.00	0.00
	0.00	0.00
Net cash flow from investing activities	0.00	0.00
C. Cash flow from financing activities		
Proceed from issue of share capital	0.00	0.00
Proceed from share application money received	0.00	0.00
	0.00	0.00
Net cash Flow financing activities	0.00	0.00
Net increase/(decrease) in cash & cash equivalents	7,13,272.51	(1,94,30,991.33)
Cash & cash equivalent opening	3,33,544.36	1,97,64,535.69
Cash & cash equivalent closing	10,46,816.87	3,33,544.36

In terms of our report of even date annexed

**For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS**

For and on behalf of the Board

Place : Delhi
Date: 29/06/2020

(K.K. Gupta)
Partner
M.No. : 087891

MG. Director
DIN : 00348616

Director
DIN : 00009996

CFO

Company Secretary



CUBICAL FINANCIAL SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

Equity share capital

Balance as at April 1, 2019	13,03,40,000
Changes in equity share capital during the year	0
Balance as at March 31, 2020	13,03,40,000

Balance as at April 1, 2018	13,03,40,000
Changes in equity share capital during the year	0
Balance as at March 31, 2019	3,03,40,000

Other equity

For the year ended March 31, 2020

Particulars	Surplus/ (Accumulated Losses)	Statutory Reserve	Other Comprehensive Income	Total
As at April 1, 2019	(63,93,664.03)	29,19,000.00	0.00	(34,74,664.03)
T/f to Statutory Reserve	(5,85,000.00)	5,85,000.00	0.00	0.00
Profit / Loss for the year	29,21,698.90	0.00	0.00	29,21,698.90
As at March 31, 2020	(40,56,965.13)	35,04,000.00	0.00	(5,52,965.13)

For the year ended March 31, 2019

Particulars	Surplus/ (Accumulated Losses)	Statutory Reserve	Other Comprehensive Income	Total
As at April 1, 2018	(98,03,596.68)	20,66,000.00	0.00	(77,37,597.00)
T/f to Statutory Reserve	(8,53,000.00)	8,53,000.00	0.00	0.00
Profit / Loss for the year	42,62,932.65	0.00	0.00	42,62,932.65
As at March 31, 2019	(63,93,664.03)	29,19,000.00	0.00	(34,74,664.03)

In terms of our report of even date annexed

**For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS**

For and on behalf of the Board

Place : Delhi
Date: 29/06/2020

(K.K. Gupta)
Partner
M.No. : 087891

MG. Director
DIN : 00348616

Director
DIN : 00009996

CFO

Company Secretary



CUBICAL FINANCIAL SERVICES LIMITED

1.1 Corporate Information

Cubical Financial Services Ltd. is a DSE/BSE listed investment Company incorporated in May 1990. As an Investment Company, we are engaged in regular investments as per our in-house analysis in financial markets, stocks & properties etc. for short term as well as long term basis.

1.2 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the NBFC Master Directions) issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2020, the company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred to as 'Previous GAAP'). These financial statements for the year ended 31 March 2019 are the first the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101. 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note no. 31.

1.3 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment [Refer note no. 2.4(i)]
- Fair value of financial instruments [Refer note no. 2, 15, 47 and 48]
- Effective Interest Rate (EIR) [Refer note no. 2.1 (i)]
- Impairment on financial assets (Refer note no. 2.4 (i) 8 and 49)
- Provisions and other contingent liabilities [Refer note no. 2, 10 and 41]
- Provision for tax expenses [Refer note no. 2.6 (i)]
- Residual value and useful life of property, plant and equipment [Refer note no. 2.7 (ii)]

2. Summary of 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.



2.1 Income

(i) Interest Income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets [as set out in note no. 2.4 (i)] regarded as stage 3, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR, if the financial asset is no longer credit-impaired [as outlined in note no. 2.4 (i)], the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognised on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

(ii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established which is generally when shareholders approve the dividend.

(iii) Other revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109. Financial Instruments is applicable) based on a comprehensive assessment model as set out in Ind AS 115 Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only a satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received of receivable.

(a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of the recovery. Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

(b) Net gain on fair value changes

financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Sale of services

The Company, on de-recognition of financial assets where a right to service the derecognised financial assets for a fee is retained, recognises the fair value of future service fee income over service obligations



cost on net basis as service fee income in the statement of profit or loss and, correspondingly creates a service asset in Balance Sheet. Any subsequent increase in the fair value of service assets is recognised as service income and in the service asset is recognised as interest income in line with Ind AS 109 Financial instruments.

Other revenues on sale of services are recognised as per Ind as 115 'Revenue From Contracts with Customers' as articulated above in 'other revenue from operations'.

(d) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(iv) Taxes

Incomes are recognised net of the Goods and Services Tax/Service Tax wherever applicable.

2.2 Expenditure

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 2.1 (i)]

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

2.3 Cash and Cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities 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.

2.4 Financial instruments

All financial instrument is defined as any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities the Company recognises the financial instruments on settlement date.

(i) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Initial measurement

All financial asset are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories.

- (a) Debt instruments at amortised cost
- (b) Debt instruments at FVOCI



- (c) Debt instruments at FVTPL
- (d) Equity instruments designated at FVOCI

(a) Debt instruments at amortised cost

The Company measures its financial assets at amortised cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are sole Payments of Principal and interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but a higher level of aggregated portfolios. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial asset held in the business model, but incorporates such information when assessing newly originated financial assets going forward.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the book of the Company, it may sell these portfolios to bank and/or asset reconstruction companies.

After initial measurement such financial assets are subsequently measured at amortised cost on effective interest rate (EIR). For further details, refer note no. 2.1(i). The expected credit loss (ECL) calculation for debt instruments at amortised cost is explained in subsequent notes in this section.

(b) Debt instruments at FVOCI

The company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as long term investments is Government securities to meet regulatory liquid asset requirement of the Company's deposit program and mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.

(c) Debt instruments at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.



The company's investments into mutual funds, Government securities (trading portfolio) and certificate of deposits for trading and short term cash flow management have been classified under this category.

(d) Equity investments designated under FVOCI

All equity investments in scope of Ind As 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

Derecognition of Financial Assets

The Company derecognises a financial asset (or, where applicable, a part of a financial asset) when:

The right to receive cash flows from the asset have expired; or

The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised the Company does not have any continuing involvement in the same.

The Company transfers its financial assets through the partial assignment route and accordingly derecognises the transferred portion as if neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset for a fee, it recognises either a servicing asset or a servicing liability for that servicing contract. A service liability in respect of a service is recognised at fair value if the fee to be received is not expected to compensate the Company adequately for performing the service. If the fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

On derecognition of a financial asset in its entirety, the difference between:

the carrying amount (measured at the date of derecognition) and

the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

ECL are recognised for financial assets held under amortised cost, debt instruments measured at FVOCI, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 months ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life or the financial instrument (lifetime ECL).

Financial assets (and the related impairment loss allowances) are off in full, when there is no realistic prospect of recover.



Treatment of the different stages of financial assets and the methodology of determination of ECL

(a) Credit impaired (stage 3)

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

Contractual payments of either principal or interest are past due for more than 90 days,

The loan is otherwise considered to be in default.

Restructured loans, where repayments terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months—post renegotiation and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

Interest income is recognised by applying the EIR to the net amortised cost amount i.e. gross carrying amount less ECL allowance.

(b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, 30 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 30 days past due are included in stage 2 for mortgage loans.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (Probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application/behavioural score cards and other performance indicators, determined statistically.

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

Company has incurred any loss of assets or interest income thereon in last 3 Financial years, therefore expected credit loss is assumed as per RBI Prudential Norms on Prudent Basis.

Provision involving substantial degree of estimation in measurement as recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes Contingent assets are neither recognized nor disclosed in the financial statements.



Provision for non-performing assets is recorded at rates which are equal to or higher than the rates specified by Reserve Bank of India in their guidelines on prudential norms. The rates used by the Company are as follows:

a. Provision for Non-Performing Assets

- Provisions for standard and non-performing assets
- In accordance with Prudential Norms, contingent provision at 0.25% has been created on outstanding assets.
- In accordance with Para 10 of Prudential Norms, the Company has shown provision for loans under 'Provisions' forming part of 'Non Financial Assets'.

(ii) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or other financial assets to another entity, or a contract that may or will be settled in the entity's own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR [Refer note no. 2.1 (i)]. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and loss.

Derecognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.5 Investment in Subsidiaries

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment. If any i.e. the deficit in the recoverable value over cost.

2.6 Taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



2.7 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets, except building which is determined on written down value method.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- (c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro-rata basis with reference to the month in which such asset is added or sold as the case may be.
- (d) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Intangible assets and amortisation thereof

Intangible assets, representing softwares are initially recognised at cost and subsequently carried at cost less accumulated impairment. The intangible assets are amortised using the straight method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.9 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount the carrying value is written down accordingly.

2.10 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.11 Foreign currency translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

Initial recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are re-translated using exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange difference

All exchange differences are accounted in the Statement of Profit and Loss.



2.12 Fair Value measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 47 and 48.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

2.13 Unless specifically stated to be otherwise, these policies are consistently followed.

**CUBICAL FINANCIAL SERVICES LIMITED****NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
3 Cash and cash equivalents			
Bak balances in current accounts	8,85,885.87	2,24,893.36	1,97,57,904.69
Cash in hand	1,60,931.00	1,08,651.00	6,631.00
Total	10,46,816.87	3,33,544.36	1,97,64,536.69

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

	March 31, 2020	March 31, 2019	April 1, 2018
Bank balances in current accounts	8,85,886.00	2,24,893.00	1,97,57,905.00
Cash in hand	1,60,931.00	1,08,651.00	6,631.00
Total	10,46,817.00	3,33,544.00	1,97,64,536.00

4 Loans and Advance**Short term loans & advances**

(Unsecured considered good unless otherwise stated)

Loans and advance	12,42,41,556.00	12,17,34,341.00	7,28,22,537.00
Other Deposits (for Demat and Telephone)	7,250.00	7,250.00	7,250.00
Advance of Employee	20,000.00	23,000.00	0.00
Total	12,42,68,806.00	12,17,64,591.00	7,28,29,787.00

5 Investments**Investments in Quoted Shares**

2100 (2100) Equity Shares of Arihant Cotsyn limited of Rs. 10/- each fully paid-up

Investment in Unquoted Shares

4900 (49500) Equity Shares of Shivan Rosins Pvt. Ltd. of Rs. 10/- each fully paid up.

	5,16,210.00	5,16,210.00	5,16,210.00
Permanent Diminution in value of Investment	(4,64,610.00)	(4,64,610.00)	(4,64,610.00)
Total	51,600.00	51,600.00	51,600.00

6 Other financial assets

Amount Recoverables

Total	0.00	7,79,224.61	12,55,268.79
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7 Current tax asset

Total	0.00	1,035.00	78,052.00
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8 Inventory

Inventory of Shares

Total	61,61,275.00	51,15,000.00	3,00,68,354.84
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6 Property, plant and equipment

Description	Gross Block				Depreciation				Net Block	
	As on April 01, 2019	Additions During the year	Sales/ Adjustments	Total March 31, 2020	Upto April 01, 2019	For the year	Adjustments/ Sales	Total as on March 31, 2020	As on March 31, 2020	As on March 31, 2019
Furniture & Fixture	4,32,684.00	0.00	0.00	4,32,684.00	4,21,432.00	0.00	0.00	4,21,432.00	11,252.00	11,252.00
Fax Machine	37,850.00	0.00	0.00	37,850.00	35,957.00	0.00	0.00	35,957.00	1,893.00	1,893.00
Computer & Printer	4,01,940.00	0.00	0.00	4,01,940.00	3,97,835.00	0.00	0.00	3,97,835.00	4,105.00	4,105.00
Office Equipment	1,84,102.05	0.00	0.00	1,84,102.05	1,74,896.05	0.00	0.00	1,74,896.05	9,206.00	9,206.00
Current Year	10,56,576.05	0.00	0.00	10,56,576.05	10,30,120.05	0.00	0.00	10,30,120.05	26,456.00	26,456.00
PREVIOUS YEAR	10,56,576.05	0.00	0.00	10,56,576.05	10,30,120.05	0.00	0.00	10,30,120.05	26,456.00	26,456.00

Description	Gross Block				Depreciation				Net Block	
	As on April 01, 2018	Additions During the year	Sales/ Adjustments	Total March 31, 2019	Upto April 01, 2018	For the year	Adjustments/ Sales	Total as on March 31, 2019	As on March 31, 2019	As on March 31, 2018
Furniture & Fixture	4,32,684.00	0.00	0.00	4,32,684.00	4,21,432.00	0.00	0.00	4,21,432.00	11,252.00	11,252.00
Fax Machine	37,850.00	0.00	0.00	37,850.00	35,957.00	0.00	0.00	35,957.00	1,893.00	1,893.00
Computer & Printer	4,01,940.00	0.00	0.00	4,01,940.00	3,97,835.00	0.00	0.00	3,97,835.00	4,105.00	4,105.00
Office Equipment	1,84,102.05	0.00	0.00	1,84,102.05	1,74,896.05	0.00	0.00	1,74,896.05	9,206.00	9,206.00
Current Year	10,56,576.05	0.00	0.00	10,56,576.05	10,30,120.05	0.00	0.00	10,30,120.05	26,456.00	26,456.00
PREVIOUS YEAR	10,56,576.05	0.00	0.00	10,56,576.05	10,30,120.05	0.00	0.00	10,30,120.05	26,456.00	26,456.00

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 1, 2018
10 Other non financial assets			
Indirect tax credits available for utilisation	0.00	0.00	0.00
Income Tax Advances	0.00	0.00	0.00
Total	0.00	0.00	0.00

11. Trade payables

Total outstanding dues of Micro Enterprises and small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

Particulars

i) Principal amount due to suppliers under MSME Act	0.00	0.00	0.00
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	0.00	0.00	0.00
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	0.00	0.00	0.00
iv) Interest paid to suppliers under MSMED Act	0.00	0.00	0.00
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	0.00	0.00	0.00
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	0.00	0.00	0.00
vi) Interest accrued and remaining unpaid at the end of the accounting year	0.00	0.00	0.00



CUBICAL FINANCIAL SERVICES LIMITED

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
vii) The amount of further interest remaining due and payable even in the succeeding years, until such date the interest dues as above are actually paid to the when small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act	0.00	0.00	0.00
	0.00	0.00	0.00
Trade Payables	9,22,432.00	96,972.00	10,44,800.00
Total	9,22,432.00	96,972.00	10,44,800.00

The Company has during the year not received any information from any vendor regarding their status being registered under Micro Small and Medium Enterprises Development Act, 2006. Based on the above disclosures, if any, relating to amounts unpaid as a the period end along the interest paid / payable have not been given.

12 Other financial liabilities

Other payables	3,83,500.00	0.00	0.00
Total	3,83,500.00	0.00	0.00

13 Current Tax liabilities

As per last balance sheet	7,52,137.00	1,57,844.00	0.00
Additions during the year	10,64,700.00	15,51,600.00	8,30,100.00
Payment / Adjustment	(17,43,042.00)	(9,57,307.00)	(6,72,256.00)
Total	73,795.00	7,52,137.00	1,57,844.00

14 Provisions

Provision Retained on sale of Standard assets as per RBI	3,10,700.00	3,04,400.00	1,82,100.00
Total	3,10,700.00	3,04,400.00	1,82,100.00

15 Other Non Financial liabilities

Statutory dues payable	85,390.00	62,410.00	98,750.00
Total	85,390.00	62,410.00	98,750.00

16 Equity share capital

Authorised

6,75,50,000 (Previous year 6,75,50,000 Shares) Equity shares of Par Value of Rs. 2/- each	13,51,00,000.00	13,51,00,000.00	13,51,00,000.00
	13,51,00,000.00	13,51,00,000.00	13,51,00,000.00

Issued, Subscribed and Paid up

6,51,70,000 Equity Shares of Par Value of Rs. 2/- each (Previous Year 6,51,70,000 Shares of Par Value of Rs. 2/- each)	13,03,40,000.00	13,03,40,000.00	13,03,40,000.00
Total	13,03,40,000.00	13,03,40,000.00	13,03,40,000.00

a) The reconciliation of number of shares outstanding and the amount of share Capital as at the opening and closing dates is set out below:

Equity shares

Particulars	March 31, 2020	March 31, 2019	April 1, 2018
No. of Shares outstanding at the beginning of the period	6,51,70,000.00	6,51,70,000.00	6,51,70,000.00
No. of Shares issued during the year	0.00	0.00	0.00
No. of Shares outstanding at the end of the period	6,51,70,000.00	6,51,70,000.00	6,51,70,000.00



Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
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b) The company has only one class of equity shares having par value of Rs. 2/-. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

c) Following Shareholders hold equity shares more than 5% of the total equity shares of the company at the end of the period:

Person	As at 31.03.2020 NOS (% age)	As at 31.03.2019 NOS (% age)	As at 01.04.2018 NOS (% age)
Mr. Ashwani Kumar Gupta	1,63,83,572 (25.14%)	1,63,83,572 (25.14%)	1,43,83,672 (22.071%)
Mr. Rupes Jha	63,15,015 (9.69%)	63,15,015 (9.69%)	38,48,835 (5.906%)
Ms. Richi Khemka	33,42,963 (5.13%)	33,42,963 (5.13%)	NIL
Mrs. Rita Gupta	36,91,565 (5.66%)	36,91,565 (5.66%)	36,91,565 (5.66%)

d) The company has not issued any bonus shares during the period of last 5 years

17 Other equity

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Statutory Reserve			
Balance B/F	29,19,000.00	20,66,000.00	5,54,000.00
T/F During the Year	5,85,000.00	8,53,000.00	15,12,000.00
Sub Total	35,04,000.00	29,19,000.00	20,66,000.00
Surplus			
Balance B/F	(63,93,664.03)	(98,03,596.68)	(98,03,596.68)
Add: Net Profit/Loss after tax transferred from Statement of Profit & Loss	29,21,698.90	42,62,932.65	0.00
Transferred to Statutory Reserve	(5,85,000.00)	(8,53,000.00)	0.00
Sub Total	(40,56,965.13)	(63,93,664.03)	(98,03,596.68)
Total	(5,52,965.13)	(34,74,664.03)	(77,37,596.68)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
18 Interest Income		
Interest on Loan	1,01,13,748.00	82,43,504.00
Interest on Income tax refund	15.00	5458.00
Total	1,01,13,763.00	82,49,262.00
19 Others		
Sales of Shares	4,81,289.76	2,84,55,963.93
Profit on Intra Day Trading	2,852.26	0.00
Total	4,84,142.02	2,84,55,963.93
20 Other Income		
Bad Debts Recovered	3,00,000.00	0.00
Total	3,00,000.00	0.00
21 Change in Inventory		
Opening Stock of Shares	51,15,000.00	3,00,68,354.84
Total (a)	51,15,000.00	3,00,68,354.84
Closing Stock Shares	61,61,275.00	51,15,000.00
Total (b)	61,61,275.00	51,15,000.00
Total	(10,46,275.00)	2,49,53,354.84



Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
22 Employees Benefits Expenses		
Salaries and wages	15,34,700.00	16,49,000.00
Staff welfare expenses	12,501.00	38,959.00
Total	15,47,201.00	16,87,959.00
23 Depreciation and amortization expenses		
Depreciation on PPE	0.00	0.00
Total	0.00	0.00
24 Other expenses		
Rent	9,60,000.00	9,60,000.00
Travelling & Conveyance	41,390.00	1,75,938.00
Repairs and maintenance	2,79,400.00	3,06,800.00
Communication Expenses	38,575.00	1,00,194.00
Computer Expenses	46,894.00	48,416.00
Printing and stationery	23,718.00	41,807.00
Advertisement and publicity	26,636.00	38,102.00
Director's fees, allowances and expenses	2,30,000.00	0.00
Payment to Auditors		
- Audit Fees	29,500.00	64,900.00
- Other Matters	88,500.00	20,650.00
Legal and Professional charges	21,17,805.00	7,00,900.00
Bank Charges	147.50	118.00
Electricity & Water Charges	95,137.00	99,637.00
Loss from F & O	1,07,070.73	8,77,209.43
Expected Credit Loss against Standard/ Doubtful Assets	6,300.00	1,22,300.00
Miscellaneous Expenses	7,28,983.99	6,79,248.01
Total	48,20,057.22	42,36,219.44

25. Income Taxes

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

A. Statement of profit and loss:

(i) Profit & loss section

	31 March 2020	31 March 2019
Current tax:		
Current income tax charge	10,64,700.00	15,51,600.00
Adjustments in respect of current income tax of previous year	1,00,334.00	11,121.00
	11,65,034.00	15,62,721.00
Deferred tax:		
Relating to origination and reversal of temporary differences	(1,906.00)	(2,039.00)
Income tax expense reported in the statement of Profit & loss	11,63,128.00	15,60,682.00

(ii) OCI Section

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

Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	-	-

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

	31 March 2020	31 March 2019
Accounting profit before tax from continuing operations	40,88,838.90	58,27,692.65
Profit/(loss) before tax from a discontinued operation	0.00	0.00
Accounting profit before income tax	40,88,638.90	58,27,692.65



Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
At India's statutory income tax rate of 26.00% (31 March 2019 : 26.00%)	10,63,000.00	15,00,600.00
Non-deductible expenses for tax purposes	3,600.00	53,100.00
Additional deduction as per income tax	(1,900.00)	(2,100.00)
Adjustments in respect of current income tax of previous year	1,00,334.00	11,121.00
MAT credit of earlier years recognised	0.00	0.00
At the effective income tax rate of 28.49% (31 March 2019: 26.82%)	11,65,034.00	15,62,721.00
Income tax expense reported in the statement of profit and loss	11,65,034.00	15,62,721.00
Income tax attributable to a discontinued operation	0.00	0.00
	11,65,034.00	15,62,721.00

Deferred tax

Deferred tax relates to the following:

	Balance sheet			Statements of profit and loss	
	31 March 2020	31 March 2019	01 April 2018	31 March 2020	31 March 2019
Accelerated depreciation for tax purposes	7,898	9,804	11,843	(1,906)	(2,039)
B/F Losses/Disallowances u/s 43B / 40 A	-	-	-	-	-
Ind As adjustments	-	-	-	-	-
Deferred tax expense/(income)	-	-	-	-	-
Net deferred tax assets/(liabilities)	7,898	9,804	11,843	(1,906)	(2,039)

Reflected in the balance sheet as follows:

	31 March 2020	31 March 2019
Deferred tax assets (continuing operations)	7,898	9,804
Deferred tax liabilities (continuing operations)	-	-
Deferred tax liabilities, net	7,898	9,804

Reconciliation of deferred tax liabilities (net):

	31 March 2020	31 March 2019
Opening balance as of 1 April	-	-
Tax (income)/expense during the period recognised in Profit & loss	-	-
Tax (income)/expense during the period recognised in OCI	-	-
Discontinued operation	-	-
Closing balance as at 31 March	-	-

26 Fair values measurements

(i) Financial instruments by category

Particulars	31 March 2020		31 March 2019		1 April 2018	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Financial assets						
Investment	51,600.00	0.00	51,600.00	0.00	51,600.00	0.00
Other financial	0.00	0.00	0.00	7,79,224.61	0.00	12,55,268.79
Cash and cash equivalents	0.00	10,46,816.87	0.00	3,33,544.36	0.00	1,97,64,535.69
Loans and Advance	0.00	12,42,68,806.00	0.00	12,17,64,591.00	0.00	7,28,29,787.00
Total Financial assets	51,600.00	12,53,15,622.87	51,600.00	12,28,77,359.97	51,600.00	9,38,49,591.48
Financial liabilities						
Trade payables	0.00	9,22,432.00	0.00	96,972.00	0.00	10,44,800.00
Other financial liabilities		3,83,500.00		0.00	0.00	0.00
Total financial liabilities	0.00	13,05,932.00	0.00	96,972.00	0.00	10,44,800.00



ii) Fair value hierarchy

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

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

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on fair value measurement is not based on observable market data.

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

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

For cash and cash equivalents, trade receivables, other receivables, short term borrowing, trade payables and other current financial liabilities the management assessed that their fair value is approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's long-term interest free security deposits are determined by applying discounted cash flows ('DFC') method, using discount rate that reflects the market borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

27. Components of other comprehensive income (OCI)

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

During the year ended 31 March 2020	Total
Fair valuation through OCI	-
Income tax effect	-
During the year ended 31 March 2019	Total
Fair valuation through OCI	-
Income tax effect	-

28. First time Adoption

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

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

(A) Mandatory exceptions and optional exemptions availed

Set out below are the applicable Ind AS 10 main exceptions and optional exemptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Company.

1. Mandatory exceptions:

(i) Estimates

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.



The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conormity with previous GAAP.

ii) Derecognition of financial assets and financial liabilities

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

(iii) Classification and measurement of financial assets

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

(iv) Impairment of financial assets

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

2. Optional exemptions:

(i) Deemed cost-Previous GAAP carrying amount: (PPE and Intangible)

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the data of transition to Ind AS, measured as per the previous GAAP and us that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

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

(B) Reconciliations between Ind AS and previous GAAP are given below

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

Reconciliation of equity as at date of transition 1 April 2018 and as at 31 March, 2019

Particular	As at 31 March 2019			As at 1 April 2018		
	Previous GAAP	Adjustment	IND AS	Previous GAAP	Adjustment	IND AS
Assets						
Financial assets						
Cash and cash equipments	3,33,544	0	3,33,544	1,97,64,536	0	1,97,64,536
Loans and Advances	12,17,64,591	0	12,17,64,591	7,28,29,767	0	7,28,29,767
Investments	51,600	0	51,600	51,600	0	51,600
Other financial assets	7,79,225	0	7,79,225	12,55,269	0	12,55,269
Non-financial assets						
Current tax assets	1,035	0	1,035	78,052	0	78,052
Deferred tax assets	9,804	0	9,804	11,843	0	11,843
Inventories	51,15,000	0	51,15,000	3,00,68,355	0	3,00,68,355
Property, plant and equipment	26,456	0	26,456	26,456	0	26,456
Other non-financial assets	0	0	0	0	0	0
Total Assets	12,80,81,255	0	12,80,81,255	12,40,85,897	0	12,40,85,897



28. First time Adoption (Contd..)

Particular	As at 31 March 2019			As at 1 April 2018		
	Previous GAAP	Adjustment	IND AS	Previous GAAP	Adjustment	IND AS
LIABILITIES AND EQUITY						
Liabilities						
Financial liabilities						
Trade payables	96,972	0	96,972	10,44,800	0	10,44,800
Other financial liabilities	0	0	0	0	0	0
Non-financial liabilities						
Current tax liabilities (net)	7,52,137	0	7,52,137	1,57,844	0	1,57,844
Provisions	3,04,400	0	3,04,400	1,82,100	0	1,82,100
Other non-financial liabilities	62,410	0	62,410	98,750	0	98,750
Equity						
Equity share capital	13,03,40,000	0	13,03,40,000	13,03,40,000	0	13,03,40,000
Other equity	(34,74,664)	0	(34,74,664)	(77,37,597)	0	(77,37,597)
Total liabilities and equity	12,80,81,255	0	12,80,81,255	12,40,85,897	0	12,40,85,897

Reconciliation of equity as at 1 April 2019 and as at 31 March 2020 summarised in below table

Particular	Notes to first time adoption	As at 31 Mar, 2019	As at 01 April 2018
Equity as reported under previous GAAP			
Impairment on financial assets		0	0
Equity as per Ind AS		0	0

Reconciliation of Total Comprehensive Income for the year ended 31 March 2019

Particular	As at 31 March 2019		
	Previous	Adjustment GAAP	IND AS
Revenue from operations			
Sale of Shares	2,84,55,964	0	2,84,55,964
Interest Income	82,49,262	0	82,49,262
Others	2,84,55,964	0	2,84,55,964
Other Income	0	0	0
Total Income	6,51,61,190	0	6,51,61,190
Expenses			
Change in Inventory	2,49,53,355	0	2,49,53,355
Employee Benefits Expenses	16,87,959	0	16,87,959
Depreciation and amortization expense	0	0	0
Other expenses	42,36,219	0	42,36,219
Total expense	3,08,77,533	0	3,08,77,533
Profit before tax	3,42,83,657	0	3,42,83,657
Tax expenses:			
Current tax			
Current year	(15,51,600)	0	(15,51,600)
Earlier year	(11,121)	0	(11,121)
Deferred tax	(2,039)	0.00	(2,039)
Profit for the year / Total comprehensive income	3,27,18,897	0	3,27,18,897

Reconciliation of equity as at 1 April 2018 and as at 31 March 2019 summarised in below table

Particular	As at 31.03.2019	As at 01.04.2018
Equity as reported under previous GAAP	13,03,40,000	13,03,40,000
Adjustment	0	0
Equity as per Ind AS	13,03,40,000	13,03,40,000

**28. First time Adoption (Contd..)****Notes to first time adoption of In AS****(1) Impairment on financial assets**

Under previous GAAP, loan losses and provisions were computed basis RBI guidelines and Management estimations. Under Ind AS, the same required to be computed as per the impairment principles laid out in Ind AS 109—Financial Instruments which prescribes the expected credit to model (ECL model) for the same. Accordingly, the difference between loan losses and provision as computed under previous GAAP and computed under Ind AS is adjusted in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement Profit and Loss for the year ended 31 March 2020.

(2) Reameasurement of defined benefit plan obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

(3) Components of other comprehensive income (OCI)

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Group.

- Re-measurement gains/(losses) on defined benefit plans
- Changes in fair value of FVOCI equity instruments
- Change in fair value of FVOCI debt securities

All above adjustments, except remeasurement gains/(losses) on defined benefit plans as set in point (5) above, are recognised in other comprehensive income reserve (net of related deferred taxes) as at the date of transition and for the year ended 31 March 2020 and subsequently in the OCI section in the Statement of Profit and Loss for the year ended 31 March 2020.

Impact of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March 2020



**CUBICAL FINANCIAL SERVICES LIMITED
OTHER NOTES ON ACCOUNTS**

	AS AT 31.03.2020 (Rs. In Lacs)	AS AT 31.03.2019 (Rs. In Lacs)
29. COMMITMENTS		
Estimated amount of contracts Remaining to be executed	NIL	NIL
a) Capital Account and not provided for:		
b) Letters of Credit opened in favour of inland/overseas suppliers	NIL	NIL
30. Contingent Liabilities not provided for:- (excluding matters separately dealt with in other notes)		
a) Counter guarantees issued to Bankers in respect of guarantees issued by them	NIL	NIL
b) Guarantees issued on behalf of Ltd. Co's	NIL	NIL
31. Value of Imports on CIF Basis	NIL	NIL
32. Earning in Foreign Currency	NIL	NIL

33. PARTICULARS OF SALES & STOCKS

	CURRENT YEAR Value	PREVIOUS YEAR Value
OPENING STOCK		
Shares	51,15,000	3,00,68,356
PURCHASE		
Shares	14,88,283	NIL
SALES		
Shares	4,81,290	2,84,55,964
CLOSING STOCK		
Shares	61,61,275	51,15,000

34. In the opinion of the Board, all Current Assets, Loans & Advances (Except where indicated otherwise) collectively have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
35. Balance confirmation certificates from parties, as appearing in the Balance Sheet under the heads '**Current Liabilities**' on the liabilities side and '**Loans & Advances**' on the assets side of the Balance Sheet are subject to confirmations of balances to the extent received have been reconciled/under reconciliation.
36. Provision regarding Provident fund and Gratuity Act, 1972 are not applicable to the company during the year under reference.
37. The company is engaged in the business of non-banking financial activity. Since all the activities relate to main activity, in the opinion of the management, there is only one business segment in terms of AS-108 on segment issued by ICAI.
38. **Related Party Disclosures:**
In accordance with the AS-24 on Related Party Disclosure, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below:-

A. Relationships

Key Managerial Personnel

Managing Director	:	Sh. Ashwani K.Gupta
CFO	:	Sh. Prakash Chand Sharma
Co. Secretary	:	Ms. Manisha Agrawal (Part of the year)
Co. Secretary	:	Ms. Ruchi Singh (Part of the year)
Relative of Director		
Rita Gupta		
Sunil Bhala		

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



Description	Key Managerial Personnel/Relatives	
	(Rs. In Lacs) Y.E. 31.03.2020	(Rs. In Lacs) Y.E. 31.03.2019
Remuneration		
Sh. Ashwani Kumar Gupta	6,00,000	6,00,000
Sh. Prakash Chand Sharma	3,57,000	3,57,000
Mrs Manisha Agrawal	20,000	1,20,000
Mrs. Ruchi Singh	1,00,000	0
Rent		
Mrs. Rita Gupta	9,60,000	9,60,000
Professional charges		
Mr. Sunil Bhalla	12,00,000	0

39. Tax Expense is the aggregate of current year tax and deferred tax charged to the Profit and Loss Account for the year.

a) Current Year Charges

Income Tax provision of Rs. 10,64,700 (P.Y.15,51,600) has been made.

a) Deferred Tax

The Company estimates the deferred tax asset using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. The movement of provision for deferred tax is given below:

Particulars	Opening as at 01.04.2019	Charge/Credit during the Period	Closing as at 31.03.2020
Deferred Tax Assets			
Depreciation	9,804	(1,906)	7,898
Net Deferred Tax Assets	9,804	(1,906)	7,898

40. The Operations and the Financial Results of the Company during the Quarter / Year ended 31st March 2020 were marginally impacted due to lockdown announced by the State/Central Government after the outbreak of COVID-19 Pandemic in March 2020. As the Company is into Financial Services the operation was not completely shut down. All necessary precautions relating to hygiene, sanitization, social distancing, care and protection of the employees would continue to be followed.

The company has considered the possible effects that may result from the Pandemic relating to COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventory, Receivables and Other Financial/Non Financial Assets. In developing the assumptions relating to the possible future uncertainties in the Economic conditions because of this Pandemic, the Company, as at the date of approval of these Financial results has used internal and external sources on the expected future performance of the Company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economics conditions, the Company expect fund carrying amount of these Assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Company's Assets in future may differ from that estimated as at the date of approval of these Financial results.



CUBICAL FINANCIAL SERVICES LIMITED

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :-

Category	Amount net of provision			Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	0	0
2. Other than related parties	-	1242.42	1242.42	-	1225.14	1225.14
Total	-	1242.42	1242.42	-	1225.14	1225.14

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

Category	Current Year		Previous Year	
	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	0	0	0	0
(c) Other related parties	-	-	-	-
2. Other than related parties	0.52	0.52	0.52	0.52

7 Other Information

Particulars	Current Year Amount	Previous Year Amount
(i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

Note 1. Companies in the same group means companies under the same Management as per section 370 (1B) of the Companies Act, 1956.

Note 2. In case of Investments in unquoted shares, it is assumed that market value is same as book value.

In terms of our report of even date annexed

**For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS**

**PLACE : DELHI
DATED : 29-06-2020**

**Sd/-
PARTNER**

**Sd/-
MG. DIRECTOR
DIN-00348616
Sd/-
CFO**

**Sd/-
DIRECTOR
DIN-00009996
Sd/-
CO. SECRETARY**

ANNUAL REPORT74