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CORPORATE INFORMATION

BOARD OF DIRECTORS

Sanjay Gupta, Managing Director
Bharti Gupta, Executive Director
Tamanna Gupta, Executive Director

STATUTORY AUDITOR

Prateek Agarwal,
Chartered Accountants
335, Netaji Subhash Road
Room No. 401, 4th Floor
Kolkata – 711 101

REGISTERED OFFICE

29, Ganesh Chandra Avenue, 4th Floor
Kolkata-700013 (W.B) India
Ph – 033 4001 7379
Email: support@clarityforex.com
Website: www.clarityforex.com
CIN: L65999WB1993PLC058631

REGISTRAR & SHARE TRANSFER AGENT

7A, Beltala Road, Kolkata – 700 026
Ph- 033 2419 2641 Fax- 033 2474 1657
Email: rd.infotech@vsnl.net, rdinfotech@yahoo.com

BANKERS

Karnataka Bank Limited
Yes Bank Limited
Kotak Mahindra Bank Limited
Axis Bank Limited
RBL Bank Limited
ICICI Bank Limited
HDFC Bank Limited



AUDIT COMMITTEE

Name	Designation	Category
Bharti Gupta	Director	Chairperson
Ajay Gupta (up to 01.06.2018)	Director	Member
Mahesh Mindia	Member	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name	Designation	Category
Bharti Gupta	Director	Chairperson
Ajay Gupta (up to 01.06.2018)	Director	Member
Mahesh Mindia	Member	Member

NOMINATION & REMUNERATION COMMITTEE

Name	Designation	Category
Bharti Gupta	Director	Chairperson
Ajay Gupta (up to 01.06.2018)	Director	Member
Mahesh Mindia	Member	Member



Clarity Financial Services Limited

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the Twenty Sixth Annual Report on the business and operation of the Company together with Audited Statement of Accounts for the year ending March 31st, 2019.

1. FINANCIAL HIGHLIGHTS

Particulars	(Rs. In Lakhs)	
	FY 2018-19	FY 2017-18
Total Revenue	17104.02	19196.18
Profit / (Loss) before taxation	12.22	32.82
Less: Current Tax	4.89	8.97
Less: Deferred Tax	0.09	0.20
Less: Tax adjustments relating to earlier years	0.22	0.46
Profit / (Loss) after taxation	7.20	23.59
Balance brought forward from previous year	283.38	259.79
Profit available for Appropriations	7.20	23.59
Appropriations		
Transfer to General Reserve	0	0
Proposed Dividend	0	0
Tax on Proposed Dividend	0	0
Surplus carried to the next year's account	7.20	23.59

2. OVERVIEW OF COMPANY PERFORMANCE

The Company is a Full Fledged Money Changers (FFMC) Company engaged in providing foreign exchange services. Over the last few years, the Company is focusing to improve its profit by providing quality services to their clients.

During the year under review, your Company has made a profit of Rs. 7.20 lakhs. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the Company in the Current Financial Year.

3. SHARE CAPITAL

The paid up Equity Share Capital as at March 31st, 2019 was Rs. 310.01 lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.



Clarity Financial Services Limited

4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There have been no material changes and/or commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial relate.

5. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the company. Your Company continues to be one of the leading Full Fledged Money Changer Company.

6. SUBSIDIARY COMPANIES

The Company does not have any subsidiary, hence the compliance of provisions of section 129(3) of the Companies Act, 2013 are not applicable.

7. DIVIDEND

Your Directors do not recommend any dividend for the financial year 2018-19 under review, and has decided to retain the surplus with the Company for furthering the growth of the Company.

8. TRANSFER TO RESERVE

The Company has not transferred any fund to reserves during the financial year 2018-19.

9. TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid in previous year, the provisions of Section 125 of the Companies Act, 2013 is not applicable to the Company.

10. DEPOSIT

During the financial year under review, the company did not accept any deposit covered under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits] Rules, 2014.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis forms part of this annual report and is annexed to this Report.

12. CORPORATE GOVERNANCE

In pursuance to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 the compliance of Regulation 27(2) is not mandatory for a Company having paid up of 10 Crore or Net-worth of 25 Crore, in the immediate preceding FY and it is hereby informed that your Company during the preceding financial year neither has the paid-up capital nor the Net-worth of Rs. 10 crore and Rs. 25 crore respectively. Thus the Compliance of Regulation 27(2) of the SEBI (LODR) Regulations, 2015 is not mandatory for the Company.



Clarity Financial Services Limited

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Clarity Financial Services Limited, it is imperative that our Company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

13. AUDITORS

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the members of the Company in its 24th Annual General Meeting held on 29th September, 2017 approved the appointment of Mr. Prateek Agarwal, Chartered Accountants, as the Statutory Auditors of the Company to hold office until the conclusion of 27th AGM.

The Report given by Mr. Prateek Agarwal, Chartered Accountants, on the financial statements of the Company for the financial year 2018-19 forms part of this Annual Report. There is no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had appointed Mr. Arvind Bajpai, Company Secretary in whole-time practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report forms part of this Report as **Annexure – A**. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.

Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Annual Secretarial Compliance Report of the Company for the financial year 2018-19 form part of this Report as **Annexure –B**.

14. CORPORATE SOCIAL RESPONSIBILITY

The Provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the company.



Clarity Financial Services Limited

15. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a mechanism for Director's and employee's to report their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company. The same is available on our website www.clarityforex.com

16. RISK MANAGEMENT

Risk Management has always been an integral part of the corporate strategy which complements the organizations capabilities with business opportunities, robust planning and execution. A key factor in sustainable value is the risk that the company is willing to take and its ability to manage them effectively In line with new regulatory requirements, the Company has framed a Risk Management Policy to identify the key risk areas, monitor and report compliance and effectiveness Appropriate actions pursuant to the Policy from time to time are taken to mitigate adverse impact of various Risks which may adversely affect the performance of the Company.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the company, Mr. Sanjay Gupta (DIN 01383122), Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment for the consideration of the Members at the ensuing Annual General Meeting of the Company.

During the year under review, the following changes took place in the Board of Directors:

- a. Mr. Ajay Gupta (DIN: 01383167) Director of the Company expressed his inability to continue as Director and has resigned from the post of Directorship w.e.f to 1st day of June, 2018.

A Certificate of Non-Disqualification of Directors, pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from Mr, Arvind Bajpai, Practicing Company Secretary has been annexed as **Annexure – C** of this report.

Composition of the Board of Directors as on the date of 30th May, 2019 is mentioned below

Name of the Director	Designation	Category
Sanjay Gupta	Managing Director	Executive
Bharti Gupta	Director	Executive
Tamanna Gupta	Director	Executive

18. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT— 9 in compliance with Section 92 of the Companies Act, 2013 read with applicable Rules made thereunder is annexed herewith as Annexed herewith as **Annexure-D**.



Clarity Financial Services Limited

19. CODE OF CONDUCT

The Company's code of conduct is based on principle that business should be conducted in a professional manner with honesty and integrity and thereby enhancing the reputation of the Company. The Code ensures lawful and ethical conduct in all affairs and dealings of the Company.

20. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board shall carry out the formal evaluation of performance of Director, KMP and Senior Management Personnel as well as the evaluation of the working of its Audit, Stakeholders Relation, Appointment & Remuneration Committees yearly or at such intervals as may be considered necessary.

21. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee (NRC) has adopted a terms of reference which, inter alia, deals with the manner of selection of Director and Key Managerial Personnel of the Company. The NRC recommends appointment of Director, Chief Executive Officer and Manager based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed there under. The NRC is responsible for identifying and recommending persons who are qualified to become directors or part of senior management of the Company. Remuneration Policy for the members of the Board and Executive Management has been framed, the said policies earmark the principles of remuneration and ensure a well-balanced and performance related compensation package taking into account shareholders' interest, industry practices and relevant corporate regulations in India.

22. MEETINGS

During the year 13 (Thirteen) Board Meetings, 4 (Four) Audit Committee Meetings, 4 (Four) Nomination & Remuneration Committee Meetings and 4 (Four) Stakeholders' Relationship Committee Meetings were convened and held.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements] Regulation, 2015 are given in the notes to the Financial Statements provided in this Annual Report.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Company has not entered into any contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, during the financial year under review.



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25. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the provision of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 131 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

The Company has formulated a policy on dealing with Related Party transaction. The Policy is disclosed on its website www.clarityforex.com.

The details of related party disclosure under the relevant accounting standard from part of the notes to the financial statement provided in the annual report.

26. PARTICULARS OF EMPLOYEES

Your Company has no employee of the category as specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27. DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARRASMENT OF WOMEN AT WORKPALCE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013.

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of complaints. There were no complaints received during the financial year.

28. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and to maintain its objectivity and independence, the Audit Committee reports to the Chairman of the Audit Committee and & to the Board Chairman & Managing Director.

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the year ended March 31st, 2019 the applicable accounting standards have been followed along with proper explanation relating to material departures;



Clarity Financial Services Limited

- b) They 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 the end of the financial year and of the profit of the company for the year;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of the applicable laws and these are adequate and are operating effectively.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The provisions of Section 134(3)(m) of the Companies Act, 2013, regarding conservation of energy and technology absorption, are not applicable.

Further there were no foreign exchange inflow or outgo during the period under review.

31. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean & safe environment. Since your company is a Full-fledged Money Changer Company so the question of environment pollution does not arise.

However, the company ensures safety of all concerned, compliances environmental regulations and prevention of natural resources.

32. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATION

There were no significant and material order passed by the Regulators or Courts or Tribunal during the year impacting the going concern status and the operations of the Company in future.

33. LISTING WITH STOCK EXCHANGE

The Company confirms that it has not defaulted in paying the Annual Listing Fees for the financial year 2018-19 to The Calcutta Stock Exchange Ltd. (CSE) where the shares of the Company are listed.

34. SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the relevant provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.



Clarity Financial Services Limited

35. ACKNOWLEDGEMENT

Your Directors wishes to place on record their sincere appreciation to employee at all level for their hard work, dedication and commitment towards Company's operations and performance. Your Directors also wish to place on record their gratitude for the valuable assistance and co—operation extended to the Company by the Central Government, State Governments, banks, institutions, investors and customers.

Date: 30th May, 2019

Place: Kolkata

For and on behalf of the Board

Sanjay Gupta	Tamanna Gupta
Managing Director	Director
DIN: 01383122	DIN: 07842312



Clarity Financial Services Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended 31st March, 2019.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Industry is showing some improvement and your Directors are expecting better industrial developments in the coming years.

SEGMENT-WISE PERFORMANCE

The Company trades in a single business segment. There has been a dip in the company's overall performance but the company is expecting a better performance in the coming years.

OPPORTUNITIES AND THREATS

The company is taking maximum efforts to capitalize on business opportunities & further expect a better outlook in the coming years. The threats to the segment in which the company operates are pricing pressure in the Forex Market, Technology up gradation and Severe Competition.

STRENGTH

The existing management has a strong technical, finance and administrative expert ise in the segment in which the company operates.

RISKS AND CONCERNS

The company is working essentially in global market place and it is attributed to all the risks and concerns attached to the Industry as a whole.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control system is looked after by the Directors themselves, who looked after the day to day affairs to ensure compliances of guidelines and policies adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS A VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters ar e resolved in harmonious and cordial manner.



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Clarity Financial Services Limited

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting price conditions in the domestic and overseas market in which the company operates changes in the Government Regulations, Tax Laws, and other statutes and incidental factors.

For Clarity Financial Services Ltd.

Sanjay Gupta
Managing Director
DIN: 01383122

DECLARATION UNDER REGULATION 26(3) READ WITH SECHEDULE V PART D OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Sanjay Kumar Gupta (DIN: 01383122), Managing Director of the Company declare that the all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the FY ended 31st March, 2019.

Place: Kolkata
Date: 30.05.2019

For Clarity Financial Services Ltd.

Sanjay Gupta
Managing Director
DIN: 01383122



Clarity Financial Services Limited

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Annexure - A

Form No. MR-3
Secretarial Audit Report
For the financial year ended 31st March, 2019

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

To,
The Members
Clarity Financial Services Limited
29 Ganesh Chandra Avenue, 4th Floor
Kolkata 700 013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CLARITY FINANCIAL SERVICES LIMITED ("the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (**The Act**) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the review period**



Clarity Financial Services Limited

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable during the review period**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the review period**
 - f) 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
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable during the review period** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the review period; **Not applicable during the review period.**
- (vi) Employees' Provident Fund Act & Miscellaneous Provisions Act, 1952.
(vii) Professional Tax Act, 1979.

I also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

I further report that

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were not carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members, views were captured and recorded as part of the minutes.

During the year under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable, subject to the following observations:

1. The Company is in default of provisions of Section 203 of the Companies Act, 2013, as it has not appointed Company Secretary and Chief Financial Officer for the financial year 2018-19. However, Company has appointed Ms. Varsha Agarwal as Company Secretary w.e.f 04.06.2019.



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2. The Company has availed the Amnesty Scheme provided by Calcutta Stock Exchange during the year under Review and has filed the required returns and forms.
3. The Company is in default of the provisions of voting through electronic means under Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 during the year under review.

This report is to be read with our letter of even date which is annexed as **Annexure A.1** and forms an integral part of this report.

Place: Kolkata
Date: 30.08.2019

Arvind Bajpai
Practicing Company Secretaries

Mem No.: 30634
C.P. No.: 11186



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Clarity Financial Services Limited

'Annexure A.1'

(To the Secretarial Audit report of M/s. Clarity Financial Services Limited
For the financial year ended 31st March, 2019

To,
The Members
Clarity Financial Services Limited
29 Ganesh Chandra Avenue, 4th Floor
Kolkata 700 013

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata
Date: 30.08.2019

Arvind Bajpai
Practicing Company Secretaries

Mem No.: 30634
C.P. No.: 11186



SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2019

[Pursuant to requirements of Regulation 24A of the Listing Regulation]

To,

The Members

Clarity Financial Services Limited

29 Ganesh Chandra Avenue, 4th Floor

Kolkata 700 013

I, Arvind Bajpai, Practicing Company Secretary have examined:

- (a) all the documents and records made available to me and explanation provided by Clarity Financial Services Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing , as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of:
 - a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the review period**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the review period
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the review period
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not applicable during the review period
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Depository and Participants) Regulations, 2018

**Clarity Financial Services Limited**

and based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
None			

- b) Clarity Financial Services Limited, the entity do have paid up capital less than Rs. 10 crore and networth less than Rs. 25 crore and hence the compliance with corporate governance provisions as specified in SEBI (LODR) Regulations, 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27, and clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V is not applicable to the Company.
- c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- d) The following are the details of actions taken against the listed entity / its promoters/ directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
None				



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Clarity Financial Services Limited

The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary In the previous Reports	Observations made in the secretarial compliance report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Place: Kolkata
Date: 30.08.2019

Arvind Bajpai
Practicing Company Secretaries

Mem No.: 30634
C.P. No.: 11186



Clarity Financial Services Limited

Annual Report 2018-19

Annexure – C

CERTIFICATE OF NON-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 Member
Clarity Financial Services Limited
29, Ganesh Chandra Avenue, 4th Floor
Kolkata - 700 013

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Clarity Financial Services Limited** having CIN L65999WB1993PLC058631 having registered office at 29, Ganesh Chandra Office, 4th Floor, Kolkata- 700 013(hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority for the Financial Year ending on 31st March, 2019.

Further, 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.

Place: Kolkata
Date: 30.08.2019

Arvind Bajpai
Practicing Company Secretaries

Mem No.: 30634
C.P. No. : 11186



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2019

[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:

i.	CIN:	L65999WB1993PLC058631	
ii.	Registration Date	22/04/1993	
iii.	Name of the Company	CLARITY FINANCIAL SERVICES LIMITED	
iv.	Category / Sub-Category of the Company	Public Company/Limited By Shares	
v.	Address of the Registered office and contact details	29, Ganesh Chandra Avenue, 4 th Floor Kolkata – 700 013 (T): 033 – 4001 7379 (E): support@clarityforex.com Website: www.clarityforex.com	
vi.	Whether listed company	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. R & D Infotech Private Limited 7A, Beltala Road, Kolkata – 700 026 (T): 033 – 2419 2641 (F): 033 – 2474 1657 (E): rd.infotech@vsnl.netrdinfotech@yahoo.com	

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 of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Foreign Exchange Services	9971592	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name & Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NA					



Clarity Financial Services Limited

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

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters*									
(1) Indian									
a) Individual/HUF	3,99,790	0	3,99,790	12.90	8,35,790	0	8,35,790	26.96	14.06
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	2,00,000	2,00,000	6.45	30,000	50,000	80,000	2.58	(3.87)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	3,99,790	2,00,000	3,99,790	19.35	8,65,790	50,000	9,15,790	29.54	10.19
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks /FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) +(A)(2)	3,99,790	2,00,000	3,99,790	19.35	8,65,790	50,000	9,15,790	29.54	10.19
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	2,00,000	2,00,000	6.45	0	2,00,000	2,00,000	6.45	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(S)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corp.									
i. Indian	0	4,62,400	4,62,400	14.92	5,000	1,97,400	2,02,400	6.53	(8.39)
ii. Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i. Individual shareholders holding nominal	72,198	8,48,295	92,0493	29.69	42198	14,13,412	14,55,610	46.95	17.26



Clarity Financial Services Limited

share capital up to Rs. 1 lakh									
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	6,84,017	6,84,017	22.06	0	92,900	92,900	3.00	(19.07)
c) Others									
NRI's	0	1,33,900	1,33,900	4.32	0	1,33,900	1,33,900	4.32	0
Foreign Company	0	99,500	99,500	3.21	0	99,500	99,500	3.21	0
Sub-Total (B)(2)	72,198	22,28,112	23,00,310	74.20	47,198	19,37,112	19,84,310	64.01	(10.19)
Total Public Shareholding (B)=(B)(1)+(B)(2)	72,198	24,28,112	25,00,310	80.65	47,198	21,37,112	21,84,310	70.46	(10.19)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4,71,988	24,28,112	31,00,100	100.00	31,00,100	9,12,988	21,87,112	31,00,100	100.00

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year, 01.04.2018			Shareholding at the end of the year, 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sanjay Gupta	229610	7.41	-	259610	8.37	-	0.96
2	Bharti Gupta	60180	1.94	-	261180	8.42	-	6.48
3	Tamanna Gupta	110000	3.55	-	315000	10.16	-	6.61
4	Clarion Finance & Investment Co. Pvt. Ltd.	50000	4.84	-	80000	2.58	-	2.26
5	Pelican Finance Pvt. Ltd.	150000	1.61	-	0	0	-	(1.61)

iii. Change in Promoters' Shareholding (Please Specify, If there is No Change)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year, 01.04.2018		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total			No. of shares	% of total shares of	No. of shares	% of total



Clarity Financial Services Limited

			shares				the company		shares
1.	Sanjay Gupta	229610	7.41	12.10.2018	Transfer	30,000	0.96	259610	8.37
2.	Bharti Gupta	60180	1.94	12.10.2018	Transfer	201000	6.48	261180	8.42
3.	Tamanna Gupta	110000	3.55	12.10.2018	Transfer	205000	6.61	315000	10.16
4.	Clarion Finance & Investment Co. Pvt. Ltd.	50000	4.84	12.10.2018	Transfer	30000	2.26	80000	2.58
5.	Pelican Finance Pvt. Ltd.	150000	1.61	12.10.2018	Transfer	(150000)	(1.61)	0	0

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	CRB Trustee Ltd. A/C. CRB Mutual Fund				
	On 01.04.2018	200000	6.45	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	200000	6.45
2.	Pradeep R Lodha				
	On 01.04.2018	133900	4.32	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	133900	4.32
3.	Shree Securities Ltd				
	On 01.04.2018	99600	3.21	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	99600	3.21
4	Surewin Ltd				
	On 01.04.2018	99500	3.21	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	99500	3.21
5	Daiwa Securities Ltd				
	On 01.04.2018	45000	1.45	-	-



Clarity Financial Services Limited

	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	45000	1.45
6	Daiwa Global Finance Limited				
	On 01.04.2018	35000	1.13	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	35000	1.13
7	Debabrata Bose				
	On 01.04.2018	25000	0.81	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	25000	0.81
8	Santosh Kumar Jain				
	On 01.04.2018	22900	0.74	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	22900	0.74
9	Sheekumar Agarwal				
	On 01.04.2018	22900	0.74	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	22900	0.74
10	Pramod Kumar Jain				
	On 01.04.2018	22100	0.71	-	-
	Increase / (Decrease) in Shareholding during the year	No Change			
	On 31.03.2019	-	-	22100	0.71

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year, 01.04.2018		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares			No. of shares	% of total shares of the company	No. of shares	% of total shares
1.	Sanjay Gupta	229610	7.41	12.10.2018	Increase Due to transfer	30,000	0.96	259610	8.37
2.	Bharti Gupta	60180	1.94	12.10.2018	Increase Due to transfer	201000	6.48	261180	8.42
3.	Tamanna Gupta	110000	3.55	12.10.2018	Increase Due to transfer	205000	6.61	315000	10.16



Clarity Financial Services Limited

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. In INR

Particulars	Secured loan 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				
<input type="checkbox"/> Addition	-	-	-	-
<input type="checkbox"/> 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:

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

Rs. In Lacs

Sr. No.	Particulars of Remuneration	Sanjay Gupta	Bharti Gupta	Tamanna Gupta	Ajay Gupta	Total Amount
		Managing Director	Director	Director	Director (upto 01.06.2018)	
1.	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,80,000	10,80,000	9,60,000	100,000	32,20,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2.	Stock Options	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission	0	0	0	0	0
	- As % of Profit	0	0	0	0	0
	- Others, specify	0	0	0	0	0



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5.	Others, please specify	0	0	0	0	0
	Total (A)	10,80,000	10,80,000	9,60,000	100,000	32,20,000

B. REMUNERATION TO OTHER DIRECTORS:

Rs. In Lacs

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors		
	<input type="checkbox"/> Fee for attending board / committee meetings	-	-
	<input type="checkbox"/> Commission	-	-
	<input type="checkbox"/> Others, please specify	-	-
	Total (1)	-	-
2.	Other Non-Executive Directors		
	<input type="checkbox"/> Fee for attending board / committee meetings	-	-
	<input type="checkbox"/> Commission	-	-
	<input type="checkbox"/> Others, please specify	-	-
	Total (2)	-	-
	Total (B)= (1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	N. A

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

Rs. In Lacs

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
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	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	~ As % of Profit	-	-	-	-
	~ Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-



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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/CO URT]	Appeal made, if any give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Date: 30th May, 2019

Place: Kolkata

For and on behalf of the Board

Sanjay Gupta	Tamanna Gupta
Managing Director	Director
DIN: 01383122	DIN: 07842312



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Clarity Financial Services Limited

PRATEEK AGARWAL

CHARTERED ACCOUNTANTS

335, NETAJI SUBHASH ROAD, NEAR KALI BABU BAZAR, HOWRAH – 711 101

Email:ca.prateekagarwal22@gmail.com Phone – 9831711567

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLARITY FINANCIAL SERVICES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **CLARITY FINANCIAL SERVICES LIMITED** (“the company”), which comprise the Balance Sheet as at 31 March 2019 and the Statement of Profit and Loss and the Cash Flow Statement 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 financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (or Loss)* and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Clarity Financial Services Limited

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a



Clarity Financial Services Limited

guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in



Clarity Financial Services Limited

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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 "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Howrah
Date: 30.05.2019

For **Prateek Agarwal**
Chartered Accountants

Prateek Agarwal
Proprietor
Membership No. 306187



Clarity Financial Services Limited

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of M/S CLARITY FINANCIAL SERVICES LIMITED on the accounts of the company for the year ended 31st March, 2019]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased program of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventory,
 - a) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.
- (iii) In respect of loans, secured or unsecured, the company has not granted secured or unsecured loan to (Firms or other parties) covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investments, guarantees, and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted deposits within 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 thereunder,
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



Clarity Financial Services Limited

- (vii) In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no disputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2019 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) No Moneys has been raised by way of initial public offer or further public offer (including debt instruments) and no term loan has been taken by the Company during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) The managerial remuneration has not been paid hence clause 3(xi) is not applicable.
- (xii) This is not a Nidhi Company.
- (xiii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

Place: Howrah
Date: 30.05.2019

For **Prateek Agarwal**
Chartered Accountants

Prateek Agarwal
Proprietor
Membership No. 306187



Clarity Financial Services Limited

ANNEXURE - B

TO THE INDEPENDENT AUDITOR'S REPORT
CLARITY FINANCIAL SERVICES LIMITED

The Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of **CLARITY FINANCIAL SERVICES LIMITED** for the year ended 31st March 2019, we report that:

We have audited the internal financial controls over financial reporting of **CLARITY FINANCIAL SERVICES LIMITED** ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



Clarity Financial Services Limited

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

Place: Howrah
Date: 30.05.2019

For **Prateek Agarwal**
Chartered Accountants

Prateek Agarwal
Proprietor
Membership No. 306187



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED CIN: L65999WB1993PLC058631 Balance Sheet as at 31st March, 2019.			
Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	3,10,01,000	3,10,01,000
Reserves and surplus	3	2,90,58,299	2,83,38,492
		6,00,59,299	5,93,39,492
Non-current liabilities			
Deferred tax liabilities (net)		7,32,193	7,40,704
		7,32,193	7,40,704
Current liabilities			
Trade Payables	4	1,53,04,154	1,95,92,210
Other Current Liabilities	5	11,46,807	9,96,209
Short-Term Provisions	6	4,89,279	8,97,233
		1,69,40,240	2,14,85,652
TOTAL		7,77,31,732	8,15,65,848
B ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	7	13,59,240	16,16,017
Long Term Loans & Advances	8	5,83,120	5,76,520
Non Current Investment	9	2,11,48,795	2,24,66,042
		2,30,91,155	2,46,58,579
Current assets			
Inventories	10	2,14,18,766	1,77,74,971
Trade receivables	11	7,97,529	6,50,000
Cash and cash equivalents	12	3,15,44,775	3,53,66,613
Short-term loans and advances	13	8,79,507	31,15,685
		5,46,40,577	5,69,07,269
TOTAL		7,77,31,732	8,15,65,848
Significant Accounting Policies & Notes on financial statements	1-25		

In terms of our report attached.

For and on behalf of the Board

For Prateek Agarwal
Chartered Accountants

Prateek Agarwal
M.No.306187

Place : Kolkata
Date : 30/05/2019

(Sanjay Gupta)
Managing Director
DIN:01383122

(Tamanna Gupta)
Director
DIN:07842312

**Clarity Financial Services Limited**

CLARITY FINANCIAL SERVICES LIMITED			
Statement Of Profit & Loss Account For The Year Ended 31st March, 2019.			
Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I. Revenue from Operations	14	1,71,04,02,440	1,91,96,18,945
II. Other Income	15	10,17,208	7,67,736
III. Total Revenue (I+II)		1,71,14,19,648	1,92,03,86,681
IV. <u>EXPENSES</u>			
Purchases of Stock in Trade	16	1,69,57,81,244	1,89,30,05,094
Changes in Inventories of Finished Goods- - Work in Progress and Stock in Trade	17	-36,43,795	96,13,304
Employee Benefit Expenses	18	1,03,86,370	90,22,845
Finance Cost	19	49,959	98,289
Depreciation and Amortisation Expenses	7	3,15,184	3,56,173
Other Expenses	20	73,08,306	50,09,171
Total Expenditure		1,71,01,97,268	1,91,71,04,875
V. Profit/(Loss) Before Tax (III-IV)		12,22,380	32,81,806
VI. Tax Expense			
- Current Tax		4,89,279	8,97,233
- Deferred Tax		-8,511	-19,823
- Tax Adjustment Relating to Earlier Years		21,805	45,839
		5,02,573	9,23,249
VII. Profit/(Loss) After Tax (V-VI)		7,19,807	23,58,557
VIII. Earnings Per Share - Nominal Value of Share ` 10/- each fully paid-up			
Basic (`)		0.23	0.76
Diluted (`)		0.23	0.76
Significant Accounting Policies and Notes on Financial Statement	1-25		

Notes referred to above form an integral part of financial Statements.

As per our Report of even date attached.

For Prateek Agarwal

Chartered Accountants

Prateek Agarwal

M.No.306187

Place : Kolkata

Date : 30/05/2019

For and on behalf of the Board

(Sanjay Gupta)

Managing Director

DIN:01383122

(Tamanna Gupta)

Director

DIN:07842312



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED
CASH FLOW STATEMENT
For the year ended 31st March 2019.

	2018-19		2017-18	
	Amount `	Amount `	Amount `	Amount `
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before Tax	12,22,380		32,81,806	
Adjustment for :-				
Depreciation	3,15,184		3,56,173	
Profit on Sales of Fixed Assets	-		(3,68,082)	
Profit On Sales of Investment	(92,817)		(99,645)	
Interest Received	(7,83,484)		(7,54,169)	
Dividend Received	(1,40,907)		(1,05,102)	
Cash from operation before working capital changes	5,20,356		23,10,981	
Adjustment for :-				
(Increase) / Decrease in Inventories	(36,43,795)		96,13,304	
(Increase) / Decrease Trade Receivable	(1,47,529)		52,90,754	
(Increase) / Decrease in Long Term Loans & Advances	(6,600)		-	
(Increase) / Decrease in Short Term Loans & Advances	22,36,178		1,22,964	
(Increase) / Decrease in Other Current Assets	-		-	
Increase / (Decrease) Other Current Liabilities	1,50,598		1,28,330	
Increase / (Decrease) in Trade Payables	(42,88,056)		(17,23,823)	
Cash Utilised in Operating Activities	(51,78,848)		1,57,42,510	
(-) Taxes Paid	9,19,038		11,67,080	
Net Cash Flow from Operating Activities		(60,97,886)		1,45,75,430
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest Received	7,83,484		7,54,169	
Dividend Received	1,40,907		1,05,102	
Decrease/(Increase) in Investment	14,10,064		(18,05,393)	
Purchase of Fixed Assets	(58,408)		19,09,602	
Net Cash Flow from Investing Activities		22,76,047		9,63,480
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase / (Decrease) in Long Term Borrowings	-		-	
Increase / (Decrease) in short Term Borrowings	-		-	
Proceeds from issued of Share Capital	-		-	
Net Cash Flow from Financing Activities		-		-
Net Cash & Cash Equivalent generated during year (A+B+C)		(38,21,839)		1,55,38,910
Opening Cash and Cash Equivalents		3,53,66,613		1,98,27,703
Closing Cash & Cash Equivalents		3,15,44,775		3,53,66,613

AUDITORS CERTIFICATE

We have verified the attached Cash Flow Statement of Clarity Financial Services Ltd. for the year ended 31st March, 2019. This statement has been prepared in accordance with the requirements of Listing Agreement Clause No 32 with Stock Exchanges and is based on and in agreement with the Corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

Place: Kolkata
Date : 30/05/2019

For Prateek Agarwal
M.No. 306187
Chartered Accountants

(Prateek Agarwal)



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED

Notes on Financial Statements for the year ended 31st March 2019.

Note No 1

	Particulars
	SIGNIFICANT ACCOUNTING POLICIES
a)	ACCOUNTING CONCEPTS The Financial statements are prepared on the accrual basis of accounting and under the historical cost convention in accordance with the generally accepted accounting policies in India and the provisions of the Companies Act, 2013 and comply in material aspects with Accounting Standards notified by the Central Govt. under section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006 as applicable to a Small and Medium Size Company (SMC).
b)	TANGIBLE ASSETS Tangible Assets are stated at cost less accumulated depreciation, Cost includes freight, duties, taxes, and other incidental expenses.
c)	DEPRECIATION/AMORTISATION Depreciation on fixed assets has been provided on written down value method at the rates determined based on the estimated useful lives of the tangible assets wherever applicable, specified in the schedule II of the Act and in keeping with other provisions of the said schedule.
d)	IMPAIRMENT OF ASSETS No provision need to be made as the estimated realizable value of all assets will be more than the value stated in the Balance Sheet.
e)	INVENTORIES Stock of Foreign Currencies is stated lower of cost or Market Price.
f)	INVESTMENTS Investment have been stated at cost.
g)	PROVISIONS AND CONTINGENCIES A provision is recognised when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised not disclosed in the financial statements.
h)	REVENUE RECOGNITION Revenue from Sales of goods is recognised upon passage of title to the customers. Interest and other income are recognised on accrual basis.
i)	INCOME TAXES Provision for Taxation(current taxation) has been made as per Income Tax Act 1961. In accordance with the requirements under the accounting standard 22 (AS 22) relating to deferred tax, the deferred tax liability at the year end works out to be in the region of ` 7,32,193 /- (as on 31/03/2018 ` 7,40,704/-). As a measure of prudence and as recommended by AS 22, the same has been recognised in the accounts. Composition of deferred tax liability (net) Deferred Tax Liability as on 31.03.2018. 7,40,704 Less: Deferred Tax Assets for the year (8,511) Deferred Tax Liability as on 31.03.2019. <u>7,32,193</u>



Clarity Financial Services Limited

j)	Contingent Liability Contingent liabilities not provided for in respect of:- (i) Bank Guarantee given to American Express Bank Ltd. Travel related services for stocking Amex Travellers cheque : Rs. 49,99,625/- (P.Y. Rs. 49,99,625/-) (ii) Bank Guarantee given to Thomas Cook Travel related services for stocking Amex Travellers cheque : Rs. 25,00,000/- (P.Y. Rs. 25,00,000/-)
k)	Loan & Advances of Rs. 15,00,000/- are indentified as bad / doubtful debts based on the duration of the delinquency.
l)	No provision has been made by the company in respect of Gratuity payable to eligible employees.
m)	The Company is holding full fledged money changer license form RBI and regular regarding in adhering to the prescribed compliance of KYC/AML/CFT guidelines issued by Reserve Bank of India.
n)	The management has certified that the company has not received any intimation from its vendors regarding their status under the Micro, small and Medium enterprises Development Act, 2006 and hence disclosures, if any, relating to total outstanding dues to Micro, Small and Medium Enterprises and the principal amount of interest due thereon remaining unpaid and the amount of interest paid/payable, as required under amended schedule VI of the Companies Act, 1956 could not be complied and disclosed.



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED

Notes on Financial Statements for the year ended 31st March 2019.

Note No.	Particulars	FY 2018-19		FY 2017-18	
		Number of shares	Amount `	Number of shares	Amount `
2	SHARE CAPITAL				
A.	<u>Authorised</u> Equity shares of ` . 10 each.	50,00,000	5,00,00,000	50,00,000	5,00,00,000
B.	<u>Issued, Subscribed and Paid-up</u> Equity shares of ` . 10 each.	31,00,100	3,10,01,000	31,00,100	3,10,01,000
C.	<u>Reconciliation of number of shares outstanding</u>				
	Equity Shares at the beginning of the year	31,00,100	3,10,01,000	31,00,100	3,10,01,000
	Add: Shares issued during the year	-	-	-	-
	Equity Shares at the End of the year	31,00,100	3,10,01,000	31,00,100	3,10,01,000
D.	The Company has only one class of equity share and each such equity share has the right for one vote and is entitled to dividends, if declared by the Company.				
E.	<u>The details of Shareholders holding more than 5% Equity Shares</u>	No of Equity Shares held	%age	No of Equity Shares held	%age
	CRB Trustee Ltd. A/C Crb Mutual Fund	2,00,000	6.45	2,00,000	6.45
	Sanjay Gupta	2,14,610	6.92	2,14,610	6.92
			-		-
3	<u>RESERVE AND SURPLUS</u>	FY 2018-19		FY 2017-18	
a.	Securities Premium Reserve	Amount `	Amount `	Amount `	Amount `
	As per Last Balance Sheet				
	Add: During the year	-	-		-
b.	Surplus				
	As per Last Financial Statement	2,83,38,492		2,59,79,935	
	Add: During the year	7,19,807	2,90,58,299	23,58,557	2,83,38,492
			2,90,58,299		2,83,38,492
Note No.	Particulars	FY 2018-19		FY 2017-18	
		Amount `		Amount `	
4	<u>TRADE PAYABLES</u>				
a.	Due to Micro, Small and Medium Enterprises			-	-
b.	Sundry Creditors for Goods			1,53,04,154	1,95,92,210
				1,53,04,154	1,95,92,210
5	<u>OTHER CURRENT LIABILITIES</u>				
	Sundry Creditors for Expenses			10,49,464	9,51,173
	<u>Other Liability</u>				
	- Employee PF Payable			26,628	-
	- Employee ESI Payable			4,235	-
	- GST payable			8,450	-
	- TDS Payable			58,030	45,036
				11,46,807	9,96,209
6	<u>SHORT TERM PROVISION</u>				
a.	Provision for Income Tax			4,89,279	8,97,233
				4,89,279	8,97,233



Clarity Financial Services Limited

Annual Report 2018-19

CLARITY FINANCIAL SERVICES LIMITED

NOTE NO: 7

TANGIBLE ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.18	ADDI- TION	DEDUC- TION	AS ON 31.03.19	AS ON 01.04.18	FOR THE YEAR	ADJUST- MENT	AS ON 31.03.19	AS ON 31.03.18
Buildings	5,11,000			5,11,000	2,47,116	20,307		2,67,423	2,43,577
Car	8,49,647			8,49,647	9,679	1,00,938		1,10,617	7,39,030
Furniture & Fixture	8,98,584			8,98,584	8,53,655	-		8,53,655	44,929
Furniture & Fixture	1,37,943			1,37,943	78,825	26,209		1,05,034	59,118
Office Equip.	81,571	30,278		1,11,849	44,988	16,516		61,504	36,583
Camera	41,259			41,259	16,309	7,840		24,149	24,950
Note Counting Machine	29,770			29,770	18,520	5,656		24,176	11,250
Computer New	1,52,064	28,130		1,80,194	77,938	33,383		1,11,321	74,126
New Computer	2,41,121			2,41,121	1,45,195	73,333		2,18,528	95,926
New A.c	1,67,500			1,67,500	57,670	28,336		86,006	1,09,830
Air Conditioner	1,48,930			1,48,930	94,800	2,666		97,466	54,130
Generator	36,940			36,940	35,617	-		35,617	1,323
Grand Total	32,96,329	58,408	-	33,54,736	16,80,312	3,15,184	-	19,95,496	16,16,017
Previous Year	58,69,666	9,40,897	35,14,234	32,96,329	23,55,956	3,56,173	10,31,817	16,80,312	35,13,710

Note: There is no intangible assets hence not stated.



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED

Notes on Financial Statements for the year ended 31st March 2019.

Note No.	PARTICULARS	Note No.	FY 2018-19	FY 2017-18
			Amount `	Amount `
8	<u>LONG TERM LOANS & ADVANCES</u>			
	Security Deposit		620	620
	Security Deposit (Siliguri Office)		82,500	75,900
	Security Deposit for Office Rent - Karl Marx Sarani		5,00,000	5,00,000
			5,83,120	5,76,520
9	<u>NON CURRENT INVESTMENT</u>			
	Investment in Equity Instrument(at cost)			
	Quoted		1,99,38,795	2,01,36,042
	Unquoted		12,10,000	23,30,000
			2,11,48,795	2,24,66,042
	<u>INVENTORIES</u>			
10	Trading Goods		2,14,18,766	1,77,74,971
			2,14,18,766	1,77,74,971
11	<u>TRADE RECEIVABLES</u>			
	Outstanding for a period exceeding six months from the date they are due for payment		-	-
	Others		7,97,529	6,50,000
	(Unsecured, considered Good)		7,97,529	6,50,000
12	<u>CASH AND CASH EQUIVALENTS</u>			
	Cash in hand		37,30,409	83,46,208
	<u>Balances with Scheduled Bank</u>			
	in Current Account		1,59,42,959	1,60,27,154
	In Fixed Deposits with Bank		1,18,71,407	1,09,93,251
			3,15,44,775	3,53,66,613
13	<u>SHORT TERM LOANS AND ADVANCES</u>			
	Loan to Others		-	15,00,000
	Staff Advance		3,50,000	4,23,400
	SGST Input		-	2,425
	Standard Chartered Credit Card(Sanjay Gupta)		12,963	-
	Gst Receivable From Branch Office		-	25,141
	Incentive Receivable		23,424	3,27,120
	Commission Receivable		-	1,139
	Pre-Paid Expenses		-	5,219
	Advance Income Tax		3,00,000	6,00,000
	Tax Deducted At Source -current year		1,93,120	2,31,241
			8,79,507	31,15,685
14	<u>REVENUE FROM OPERATIONS</u>			
	<u>Sales of Products</u>			
	Trading Goods			
	- Foreign Currencies Money Changing Sales		97,34,82,369	1,22,30,59,926
	- Money Changing Sales Tc		99,08,895	2,00,88,767
	- Sales Vtm A/C		58,70,51,907	54,30,77,513
	- Surrender Tc A/C		8,02,847	23,44,954
	- Surrender Vtm A/C		13,66,51,346	12,74,05,850
	- Other Commission		1,100	1,220
	- Service Charges		4,83,061	5,06,837
	- Commission Received (W.U.)		14,969	2,39,388
	- Xpress Money (Commission)		-	1,240
	- Thomas Card Incentive Received		19,386	-
	- Axis Bank Tcdc Incentives		19,49,211	28,66,580
	- Commission from Money Gram		1,923	16,357
	- Multimoney Incentive		35,425	10,313
			1,71,04,02,440	1,91,96,18,945



Clarity Financial Services Limited

CLARITY FINANCIAL SERVICES LIMITED

Note No	PARTICULARS	FY 2018-19	FY 2017-18
15	OTHER INCOME		
	- Dividend Received	1,40,907	1,05,102
	- Profit/Loss On Sale Of Investment short term	11,388	18,440
	- Profit on Sale of Investment (Long Term)	81,429	81,205
	- Interest On Fixed Deposit	7,83,484	7,54,169
	- Profit On Sale Of Fixed Assets	-	3,68,082
	- Profit On Sale Of Future Trading	-	-5,67,014
	- Speculation Profit/Loss	-	7,753
		10,17,208	7,67,736
16	PURCHASE OF STOCK IN TRADE		
	Purchases		
	- Encashment Cn A/C	96,81,20,041	1,20,23,75,191
	- Encashment Tc A/C	7,91,970	23,31,695
	- Purchase Vtm A/C	13,19,52,394	12,72,46,088
	- Settlement TC A/c	96,35,889	1,99,35,362
	- Settlement VTM A/c	58,48,94,856	54,11,16,758
	- Unsettled Tc A/C	2,09,700	-
	- Unsettled Vtm A/C	1,76,394	-
		1,69,57,81,244	1,89,30,05,094
17	CHANGE IN INVENTORY		
	<u>Closing Stock</u>		
	Trading Goods	2,14,18,766	1,77,74,971
	Sub Total	2,14,18,766	1,77,74,971
	<u>Opening Stock</u>		
	Trading Goods	1,77,74,971	2,73,88,275
	Sub Total	1,77,74,971	2,73,88,275
	Net (Increase)/Decrease in Inventory	-36,43,795	96,13,304
18	EMPLOYEE BENEFIT EXPENSES		
	Salaries, Bonus & Wages	97,80,390	85,20,002
	Contribution to Employees Fund	6,05,980	5,02,843
		1,03,86,370	90,22,845
19	FINANCE COST		
	Interest Expenses	49,959	98,289
		49,959	98,289
20	OTHER EXPENSES		
	Rent	8,16,000	10,23,600
	Payment to Auditors		
	- Audit Fees	35,000	35,000
	- Tax Audit Fees	21,000	21,000
	Bank Charges	86,078	90,301
	Bad Debts	15,00,000	-
	Brokerage	15,33,803	15,69,656
	Business Promotion Expenses	56,877	67,463
	Telephone Expenses	1,95,791	2,30,524
	Conveyance	6,70,602	5,13,195
	Insurance Charges	39,188	43,638
	Miscellaneous Expenses	23,53,967	14,14,794
		73,08,306	50,09,171
21	Payment to Auditors		
	- Audit Fees	35,000	35,000
	- Tax Audit Fees	21,000	21,000
	- Certification and Other Fees	-	-
		56,000	56,000

**Clarity Financial Services Limited****CLARITY FINANCIAL SERVICES LIMITED**

22	Related Party Disclosure		
a)	Related Party and transactions with them as specified in the Accounting Standard 18 on " Related Parties disclosures" issued by ICAI has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.		
b)	Key Management Personnel and individuals owning directly or indirectly, an interest in the voting power that give them control or significant influence over the company and the relatives of such individuals.		
	Key Management Personnel	Relative of Key Management Personnel	
	i) Sanjay Gupta	i) Ajay Gupta	
	ii) Bharti Gupta		
	iii) Enterprises over which Key Management Personnel are able to exercise significant influence:		
	i) No such Enterprises		
	Details of Transactions with above related parties.		
	Name of the Party	Nature of Transaction	F.Yr 18-19 Amount in `
			F.Yr 17-18 Amount in `
	Sanjay Gupta	Director Remuneration	10,80,000
	Ajay Gupta	Salary	8,00,000
	Tamanna Gupta	Director Remuneration	9,60,000
	Bharti Gupta	Director Remuneration	10,80,000
23	Earning Per Share		
	The earning per share has been specified in Accounting Standard 20 on " Earning per share" issued by ICAI, the related disclosures are as follows:-		
	Profit / (Loss) for the year (after taxation)	7,19,807	23,58,557
	Number of Equity Shares of ` 10/- each fully paid up	31,00,100	31,00,100
	Earning Per Share(Basic/Diluted)	0.23	0.76
24	CIF Value of Imports	Nil	Nil
25	Balance of Debtors, Creditors and advances are subject to confirmation and/or reconciliation.		

As per our Report of even date attached.

For and on behalf of the Board

For Prateek Agarwal
Chartered Accountants(Sanjay Gupta)
Managing Director
DIN:01383122Prateek Agarwal
M.No 306187(Tamanna Gupta)
Director
DIN:07842312Place : Kolkata
Date : 30/05/2019