

**mathew easow**  
**research securities ltd.**

Regd. Office : Rajkamal Building, 128, Rashbehari Avenue, 1st Floor, Kolkata - 700 029

CIN : L74910WB1994 PLC064483

☎ : 033 2464-7022

Tele Fax : 033-4066-0354

e-mail : mers.ltd.@gmail.com

web site : www.mersl.co.in

Date: 20.08.2022

To  
The Secretary  
**BSE Ltd.**  
Phiroze Jeejeebhoy Towers  
Dalal Street, 25th Floor  
**Mumbai - 400 001**

Scrip Code: BSE - 511688

Sub.: Annual Report for the financial year ended 31st March, 2022 including Notice of 28<sup>th</sup> Annual General Meeting in terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the Annual Report of the Company for the Financial Year 2021-22, including Notice of 28<sup>th</sup> Annual General Meeting ("AGM") of the members of the Company, scheduled to be held on Tuesday, 13<sup>th</sup> Day of September, 2022 at 12:30 P.M. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"),

The same is also available on the website of the Company at [www.mersl.co.in](http://www.mersl.co.in).

Yor are requested to take the same on record

Thanking you,

Yours faithfully

For **Mathew Easow research securities limited**

  
**Sarika Kedia**  
(Company Secretary & Compliance officer)

Encl: As above

**MATHEW EASOW RESEARCH  
SECURITIES LIMITED**

**ANNUAL REPORT**

**2021-22**

**MATHEW EASOW RESEARCH SECURITIES LIMITED**  
**CIN: L74910WB1994PLC064483**

**BOARD OF DIRECTORS  
& KMP**

Mr. Beda Nand Choudhary – Whole-time Director  
Mrs. Pritha Sinha Pandey – Director  
Mr. Pratim Priya Das Gupta – Director  
Mr. Jitendra Kumar Bhagat – Director

**AUDITORS**

M/s. Gupta & Manglik  
Chartered Accountants  
Kolkata

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

Mrs. Sarika Kedia

**BANKERS**

Union Bank of India  
HDFC Bank Ltd.  
Kotak Mahindra Bank Ltd.

**REGISTERED OFFICE  
& SHARE DEPARTMENT**

“Rajkamal Building”  
128, Rash Behari Avenue,  
1st Floor, Kolkata – 700 029  
Tel No. (033) 2464 7022/4066 0354  
e-mail: mers.ltd@gmail.com  
website : www.mersl.co.in

**REGISTRAR  
& SHARE TRANSFER AGENT**

MCS Share Transfer Agent Limited  
383, Lake Gardens, 1st Floor,  
Kolkata – 700045  
Phone no.: (033) 4072 4054  
Facsimile no.: (033) 4072 4050  
E Mail: mcssta@rediffmail.com

**NOTICE**

**NOTICE** is hereby given that the Twenty Eighth Annual General Meeting (“AGM”) of the Members of Mathew Easow Research Securities Limited will be held on Tuesday, the 13<sup>th</sup> day of September, 2022 at 12.30 P.M. through Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’) facility to transact the following businesses:-

**AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and reports of the Board of Directors and the Auditors’ Report thereon.
2. To appoint a Director in place of Mrs. Pritha Sinha Pandey (DIN- 07016238), who retires by rotation and being eligible offers herself for re-appointment.

**AS SPECIAL BUSINESS:**

3. **To Re-appoint and Fix Remuneration of Mr. Beda Nand Choudhary as Whole-time Director of the Company**

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

“**RESOLVED THAT** subject to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and pursuant to approval of the Board of Directors and recommendation of Nomination and remuneration committee, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Beda Nand Choudhary (DIN- 00080175) as a Whole Time Director of the Company who is also liable to retire by rotation for a period of three years from 15<sup>th</sup> June, 2022 to 14<sup>th</sup> June, 2025 on the terms and conditions of appointment and remuneration, as detailed in the explanatory statement attached hereto, with authority to the Board of Directors to alter and vary the terms and conditions of re-appointment and remuneration so as to not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with limits specified in Schedule V to the Companies Act, 2013 and as may be agreed to by the Board of Directors and Mr. Beda Nand Choudhary.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

By Order of the Board  
For **Mathew Easow Research Securities Limited**

Place: Kolkata  
Date: 13<sup>th</sup> August, 2022

Sarika Kedia  
Company Secretary

**Notes:**

1. In view of the prevailing circumstances due to the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 02/2022 dated 5th May, 2022 and all other relevant circulars issued from time to time (collectively referred to as ‘MCA Circulars’), physical attendance of the Members at the AGM venue is not required and general meeting may be held through video conferencing (VC) or other audio visual means (OAVM). In compliance with the provisions of the Companies Act, 2013 (Act), the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and MCA Circulars, the 28<sup>th</sup> AGM of the Company will be held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company i.e. 128 Rash Behari Avenue, Rajkamal Building, 1<sup>st</sup> Floor, Kolkata - 700029.

2. Pursuant to the above said Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, Institutional / Corporate members (i.e. other than individuals/ HUF, NRI etc.) are required to send scanned copy of its board or governing body resolution/ authorization etc., for authorizing their representatives to attend the AGM through VC / OAVM on their behalf and to cast vote through e-voting (including remote e-voting).
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (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. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the above Circulars the Notice calling the AGM along with Annual Report 2021-22 are being sent only through electronic mode to those members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice calling the AGM along with Annual Report has been uploaded on the website of the Company at [www.mersl.co.in](http://www.mersl.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. The AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with above said MCA and SEBI Circulars.
8. The members seeking any information with regards to accounts or any other matters to be placed at the AGM, are requested to write to the Company in advance through email at [mers.ltd@gmail.com](mailto:mers.ltd@gmail.com). The same will be replied by the Company suitably.
9. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto and forms part of the Notice. Brief profile of the directors proposed to be appointed is set out in the Explanatory Statement to this Notice.
10. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to [mers.ltd@gmail.com](mailto:mers.ltd@gmail.com) from their registered e-mail address.
11. Members holding shares in physical form are requested to inform the Company's Registrars and Transfer Agents, M/s. MCS Share Transfer Agent Limited (RTA), immediately of any change in their address and

bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the Members.

12. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA as the same is mandated by the Securities and Exchange Board of India.
13. In terms of SEBI Notifications, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not being processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
14. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the members, will not be processed by RTA till the aforesaid details / documents are provided to RTA. On or after 1st April 2023, in case any of the above cited details / documents are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.mersl.co.in>.
15. The Company requests you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their email address with details of their Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card as identity proof) and AADHAAR (self attested scanned copy of Aadhaar Card as address proof) by sending an e-mail to the M/s. MCS Share Transfer Agent Limited at [mcsta@rediffmail.com](mailto:mcsta@rediffmail.com) or to the Company at [mers.ltd@gmail.com](mailto:mers.ltd@gmail.com).
16. Institutional/Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board Resolution/ Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Scrutinizer by e-mail through its registered e-mail address to [jagannathcs@hotmail.com](mailto:jagannathcs@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
17. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 7th September, 2022 to Tuesday, 13th September, 2022 (both days inclusive).

#### 18. Voting through electronic means

- I. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) and provisions of Section 108 of the Companies Act, 2013 read with related Rules, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility ("remote e-voting") to all its members.
- II. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, 6<sup>th</sup> September, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- III. A person who has acquired the shares and has become a member of the Company after the dispatch of

the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, 6<sup>th</sup> September, 2022, shall be entitled to exercise his/her vote by following the procedure mentioned in this part.

- IV. The remote e-voting will commence on Saturday, 10<sup>th</sup> September, 2022 at 9.00 a.m. and will end on Monday, 12<sup>th</sup> September, 2022 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date of Tuesday, 6<sup>th</sup> September, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 6<sup>th</sup> September, 2022. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- V. The process and manner for remote e-voting are as under:

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*




**Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home</li> </ol>

	<p>page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="760 735 1230 1024" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>



<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

<b>Login type</b>	<b>Helpdesk details</b>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<p><b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b></p>	<p><b>Your User ID is:</b></p>
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a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
  
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**19. General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jagannathcs@hotmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 6<sup>th</sup> September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 6<sup>th</sup> September, 2022 may follow steps mentioned in the Notice of the AGM under Step-1 : "Access to NSDL e-Voting system"(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in / 022-24994360 or contact at 1800 1020 990 and 1800 22 44 30 or can send mail at evoting@nsdl.co.in
5. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners

maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

6. The Company has appointed CS Jagannath Kar, Practicing Company Secretary (Membership No. 20600; CP No: 7591), to act as the Scrutinizer for conducting the remote e-voting process as well as casting vote through the e-Voting system during the Annual General Meeting in a fair and transparent manner.
7. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
8. The Results of voting will be declared within 48 hours from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company i.e. www.mersl.co.in and on the website of NSDL and shall be forwarded to the stock exchanges, BSE Limited.

**20. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 Aadhaar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**21. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/ AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**22. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at company email id at least 3 days before the date of Annual General Meeting.
7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at company email id at least 3 days before the date of Annual General Meeting. The same will be replied by the company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
10. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
11. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.

23. Details of Directors seeking appointment/re-appointment at the Annual General Meeting as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

<b>Name of the Director</b>	<b>Mrs. Pritha Sinha Pandey</b>
Date of Birth	25.07.1980
Qualification	LL.B
Expertise in specific functional areas	She has over 10 years experience inter alia in the field of Legal and Corporate law matters.
Details of remuneration to be paid, if any	NIL
Shareholding in the Company	NIL
Relationship with other directors or KMPs	She is not related to any of the directors or KMPs of the Company
Directorship held in other listed Companies	NIL
Committee Membership in other listed companies	NIL

<b>Name of the Director</b>	<b>Mr. Beda Nand Choudhary</b>
Date of Birth	17.02.1970
Qualification	B.Com (Commerce Graduate)
Expertise in specific functional areas	He has over 26 years experience inter alia in the field of Accounting, Financing and Investment field.
Details of remuneration to be paid, if any	Rs. 50,000/- per month
Shareholding in the Company	NIL
Relationship with other directors or KMPs	He is not related to any of the directors or KMPs of the Company
Directorship held in other listed Companies	NIL
Committee Membership in other listed companies	NIL

By Order of the Board  
For **Mathew Easow Research Securities Limited**

Place: Kolkata  
Date: 13<sup>th</sup> August, 2022

Sarika Kedia  
Company Secretary

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3:**

Based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, members at 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019, had approved the Appointment of Mr. Beda Nand Choudhary (DIN-00080175) as Whole Time Director of the Company for a period of 3 years with effect from 15<sup>th</sup> June, 2019 to 14<sup>th</sup> June, 2022 with the remuneration of Rs. 50,000/- per month.

The Board of Directors ('Board') of the Company at its meeting held on 28<sup>th</sup> May, 2022, pursuant to the recommendation of the Nomination and Remuneration Committee approved re-appointment of Mr. Beda Nand Choudhary (DIN: 00080175) as a Whole Time Director of the Company who is also liable to retire by rotation for a period of three years from 15<sup>th</sup> June, 2022 to 14<sup>th</sup> June, 2025 subject to approval of the members and the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with the remuneration of Rs. 50,000/- per month.

Mr. Beda Nand Choudhary is a Commerce graduate and has extensive knowledge in the field of finance and investments. His dynamism and the business acumen will be of great asset to the Company.

**Minimum Remuneration:** Notwithstanding anything herein contained, where in any financial year during the period of his office as Whole Time Director, if the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Beda Nand Choudhary remuneration by way of salary, allowances, perquisites not exceeding Rs. 50,000/- per month or the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Beda Nand Choudhary.

Since there is inadequate profit during the financial year ended 31.03.2022, your approval is sought for payment of above remuneration to Mr. Beda Nand Choudhary as per the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 as a Special Resolution.

**General Information:**

Nature of Industry: The Company is Non-Banking Finance Company.

Date or expected date of commencement of commercial production: Not Applicable.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

Financial Performance based on given indicators:

Particulars	Rs. In Lakhs		
	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22
<b>Total Revenue</b>	494.53	219.44	244.65
<b>Profit before Tax</b>	14.82	9.25	18.02
<b>Profit after Tax</b>	13.57	11.01	10.52

Foreign Investments or collaboration: The Company has not received any foreign investments and not entered into any foreign collaboration.

### Information about the Appointee:

Background details: Mr. Beda Nand Choudhary is associated with the company since 14.01.2010 and was appointed as the Whole-time Director of the Company with effect from 15<sup>th</sup> June, 2019 for a period of 3 years till 14<sup>th</sup> June, 2022. As his term has expired on 14<sup>th</sup> June, 2022, based on the recommendation of the nomination and remuneration committee, the Board of Directors in their meeting held on 28<sup>th</sup> May, 2022, has decided to re-appoint him as the Whole Time Director of the Company with effect from 15<sup>th</sup> June, 2022 for a period of 3 years.

Past Remuneration: For FY 2019-20: Rs. 4.75 Lacs, For FY 2020-21: Rs. 6.00 Lacs and For F.Y. 2021-22: Rs. 6.00 Lacs.

Recognition or Award: NIL

Job Profile and his suitability: He is a Commerce graduate and has extensive knowledge in the field of finance, accounts and investments. His dynamism and the business acumen will be of great asset to the Company.

Remuneration Proposed: As mentioned above in the Explanatory Statement u/s 102 of the Companies Act, 2013 Comparative remuneration profile with respect to the industry, size of the Company, profile of the position and person, taking into account the size of the Company, the amount of remuneration is reasonable.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: There is no pecuniary relationship with the Company except that he is associated with the Company as a director since 14.01.2010. Further he does not hold any shares of the Company.

Other Information:

Reasons of inadequate profits: Due to the incremental of the operating expenses, the Company had incurred the inadequate profit during the financial year 2021-22.

Steps taken or proposed to be taken for improvement: The Company has undertaken stringent cost actions and continues to curtail both employee and non-employee costs. Also, management continues to explore avenues to increase revenues through investment in its capabilities.

Expected increase in productivity and profits: The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the Company will improve further in near future.

Since the Company is operating inadequate profit, the above proposal requires approval of shareholders of the Company. Hence, the proposal is before the shareholders for approval through special resolution.

The material terms of appointment and remuneration are given below: -

General:

(i) The Whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Board of Directors.

(ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(iii) The Whole-time Director shall adhere to the Company's Code of Conduct.

Your Directors recommend the passing of the Resolution in Item No. 3 of the Notice as a Special Resolution.



None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested financially or otherwise in this Resolution except Mr. Beda Nand Choudhary.

By Order of the Board  
For **Mathew Easow Research Securities Limited**

Place: Kolkata  
Date: 13<sup>th</sup> August, 2022

Sarika Kedia  
**Company Secretary**

**DIRECTORS' REPORT**

Your Directors take pleasure in presenting the Twenty Eighth Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2022.

**1. FINANCIAL HIGHLIGHTS**

The financial results of the Company are summarized below:

(₹ in Lakhs)

Particulars	For the Financial Year ended 31.03.2022	For the Financial Year ended 31.03.2021
Total Income	244.65	219.44
Less: Total Expenses	329.72	210.19
Profit/(Loss) before exceptional item and tax	(85.07)	9.25
Exceptional Items	103.09	--
Profit/(Loss) before tax	18.02	9.25
Less: Tax Expenses		
Current Tax	8.92	1.40
Deferred Tax	(1.42)	(3.16)
Profit after tax	10.52	11.01

**2. OPERATIONS & THE STATE OF COMPANY'S AFFAIRS**

During the year under review, the total revenue from operation of the Company is ₹ 244.65 Lakhs as compared to ₹ 219.44 Lakhs during the previous year while the profit after tax is ₹ 10.52 Lakhs as compared to ₹ 11.01 Lakhs during the previous year. The performance of the Company during the year under consideration was satisfactory and the company will continue to focus on its present business activities.

The COVID-19 pandemic outbreak which began in the middle of March 2020 continued to impact the economy throughout the financial year 2021-22. The year was full of uncertainties with slowdown in activities on the ground. Your Company has been strictly adhering to lockdown announcements in accordance with the directives issued by the Central, State Government and Local Administration. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19. The Company took all necessary measures to mitigate the impact of the challenges being faced in the business. It is focused on controlling costs, maintaining liquidity and closely monitoring the operations.

**3. DIVIDEND**

In order to plough back the profits for future requirements of the company, no dividend is being declared by the Board of Directors for the financial year under review.

**4. SHARE CAPITAL**

During the year under review, the Company has not issued any securities including equity shares with differential rights/ sweat equity shares/ employees stock options scheme/ bonus shares. Thus, there is neither any change in the Authorized share Capital nor any change in issued, subscribed and paid-up share capital of the Company.

**5. TRANSFER TO RESERVES**

The Company during the period under review has transferred ₹ 2.10 Lakhs to Special Reserve created under Section 45-IC of the RBI Act, 1934. Except the said amount the Company has not transferred any amount to the Reserves for the year under review.

**6. MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments, affecting the Financial position of the company, which have occurred between the end of Financial Year of the Company to which the Financial Statements relate and the date of this report.

**7. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY**

The Company has an internal control system, commensurate with the size, scale & complexities of its operations. Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. During the year under review no reportable material weakness in the design or operation were observed.

**8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**9. DEPOSITS**

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 during the financial year under review.

**10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The provision of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to the Company as its activities are not relevant for the same.

There was no foreign exchange earnings and outgo during the financial year under review.

**11. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year ended 31<sup>st</sup> March, 2022, Your Company's Board comprised of 5 Directors - 3 Non-Executive Independent Directors, 1 Executive Director and 1 Non-Executive Woman Director.

<b>Name of the Director</b>	<b>Category</b>
Mr. Beda Nand Choudhary	Whole-time Director
Ms. Pritha Sinha Pandey	Non Executive (Woman Director)
Mr. Jitendra Kumar Bhagat*	Non Executive Independent Director
Mr. Nirmal	Non Executive Independent Director
Mr. Pratim Priya Das Gupta	Non Executive Independent Director
Ms. Sarika Kedia	Company Secretary

\* Mr. Jitendra Kumar Bhagat was appointed as the Additional Director of the Company in Independent Category with effect from 12<sup>th</sup> August, 2021.

The appointment of independent director Mr. Pratim Priya Das Gupta and Mr. Jitendra Kumar Bhagat, who were appointed as Additional Directors of the Company in Independent Category with effect from 11<sup>th</sup> November, 2020 and 12<sup>th</sup> August, 2021 respectively, was duly approved by the members at their Annual General Meeting held on 30<sup>th</sup> September, 2021.

In terms of the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Pritha Sinha Pandey (DIN - 07016238), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Further, the Board at their meeting held on 13<sup>th</sup> August, 2022 considered and approved the resignation of Mr. Nirmal, who has resigned from the Board with effect from 2<sup>nd</sup> August, 2022 due to his personal reasons.

The management of the Company is in process of filling vacancy of the post of Key Managerial Personnel (KMP) i.e. the Chief Financial Officer.

## 12. PARTICULARS OF EMPLOYEES & KMP

During the financial year under review, the following were the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013:

- i) Sarika Kedia – Company Secretary and Compliance officer
- ii) Beda Nand Choudhary – Whole-time Director

**Disclosures 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 are given below:**

(i) The ratio of the remuneration of each director/KMP to the median employee's remuneration for the financial year as prescribed is as given below:

Sl. No.	Name of KMP	Remuneration of KMP for FY 2021-22 (₹)	Previous Year Remuneration (₹)	% increase	Ratio of remuneration of each director/ to median remuneration of employees
1	Sarika Kedia (Company Secretary)	1,80,000/-	2,34,000/-	N.A.	0.00
2	Beda Nand Choudhary (Whole Time Director)	6,00,000/-	6,00,000/-	N.A.	0.00

Note: other than above none of the directors received any remuneration during the financial year ended 31<sup>st</sup> March, 2022.

- (ii) Percentage increase in the median remuneration director, CEO and CFO during the financial year: NA. Percentage increase in the median remuneration Company Secretary is: N.A.
- (iii) Percentage increase in median remuneration of employees in the financial year: Not applicable.
- (iv) The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2022: 4
- (v) Average percentage increase made in the salaries of employees other than KMP in the financial year -10%.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other employees.

There were no persons employed by the Company during the Financial Year 2021-2022 who draws remuneration as prescribed under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014, hence details with respect to the same is not required to be given.

**13. PREVENTION OF INSIDER TRADING**

The Company adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India as amended from time to time for prevention of Insider Trading which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the Company. The code of conduct framed by the Company has helped in ensuring compliance with the requirements.

**14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

During the year, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material significant in accordance with the policy of the Company on materiality of related party transactions. All transactions entered into with Related Parties during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure has been made in the note no. 34 of the Financial Statements. All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

**15. ANNUAL RETURN**

The details of Annual Return in prescribed form MGT - 7 as required under Section 92 (3) and 134 (3) of the Act is displayed on the web site of the Company i.e. [www.mersl.co.in](http://www.mersl.co.in).

**16. MEETINGS OF THE BOARD**

During the financial year ended 31<sup>st</sup> March, 2022, 6 (Six) Board meetings were held respectively on 9<sup>th</sup> April, 2021, 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 25<sup>th</sup> October, 2021, 13<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2022.

The attendances of Directors at these meetings are as follows:

<b>Name of Directors</b>	<b>No. of Board Meetings Attended</b>
Mr. Beda Nand Choudhary	6 of 6
Mr. Nirmal	4 of 6
Mr. Jitendra Kumar Bhagat	3 of 6
Ms. Pritha Sinha Pandey	6 of 6
Mr. Pratim Priya Das Gupta	6 of 6

The provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) read with relevant circulars issued by the concerned authorities, were adhered to while considering the time gap between two meetings.

**MEETINGS OF THE INDEPENDENT DIRECTORS**

During the financial year ended 31<sup>st</sup> March, 2022, two meetings of the Independent Directors were held on 12<sup>th</sup> August, 2021 and 12<sup>th</sup> February, 2022 inter alia to discuss:

- Evaluation of the performance of the Non Executive Directors and Board of Directors as a whole;
- Evaluation of the performance of the chairman of the meetings of the company, taking into account the views of the executive and non-executive directors, non-independent directors and board of directors as a whole;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

**17. COMMITTEES OF THE BOARD**

The Company has constituted different Committees under the Board that are mandated under the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(a) AUDIT COMMITTEE**

The Company has in place an Audit Committee in terms of the requirements of Section 177 of the Companies Act, 2013 read with rules made thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee comprises three Directors, out of which two are independent. During the year, the Audit Committee met 5 times to deliberate on various matters on 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 25<sup>th</sup> October, 2021, 13<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2022.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:

Name of Directors	Position Held	No. of Meetings Attended
Mr. Pratim Priya Das Gupta	Chairman	5
Mr. Beda Nand Choudhary	Member	5
Mr. Jitendra Kumar Bhagat	Member	3
Mr. Nirmal	Member	2

The Board at its meeting held on 12<sup>th</sup> August, 2021 has reconstituted the audit committee and thereby Mr. Nirmal ceased to be member and in place of him Mr. Jitendra Kumar Bhagat was inducted as a member of the Audit Committee. Further Mr. Pratim Priya Das Gupta became the chairperson of the Committee with effect from 12<sup>th</sup> August, 2021.

Statutory Auditors and Internal Auditors or their representatives are permanent invitees for the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021 and he ensured that necessary clarifications and explanations were provided to the Members of the Company on issues regarding accounts and finance.

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements are reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

**(b) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, out of which two are independent. The Chairman of the Committee, Mr. Pratim Priya Das Gupta, is the Non-Executive Independent Director. During the year under review, one meeting of Nomination and Remuneration Committee were held on 12<sup>th</sup> August, 2021.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021.

The Composition and attendance of Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2022 is given below:

Name of Directors	Position Held	No. of Meetings Attended
Mr. Pratim Priya Das Gupta	Chairman	1
Mrs. Pritha Sinha Pandey	Member	1
Mr. Jitendra Kumar Bhagat	Member	-

The Board at its meeting held on 12th August, 2021 has reconstituted the Nomination and Remuneration committee and thereby Mr. Nirmal ceased to be member and in place of him Mr. Jitendra Kumar Bhagat was inducted as a member of the Nomination and Remuneration Committee. Further Mr. Pratim Priya Das Gupta became the chairperson of the Committee with effect from 12th August, 2021.

The Nomination and Remuneration Committee of the Board is constituted to (a) formulate from time to time process for selection and appointment of new Directors, key managerial personnel and other employees and their succession plans and (b) recommend to the Board from time to time, a compensation structure for Directors and other key managerial personnel.

#### **(c) INVESTORS' GRIEVANCE & STAKEHOLDER'S RELATIONSHIP COMMITTEE**

The Company constituted the Committee to oversee the investor grievances in relation to transfer of shares, non-receipt of annual report, dividend and other grievances. It is the policy of the Company to promptly attend to and resolve the complaints received from the shareholders. The Committee also oversees the performance of the Registrar and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. During the financial year ended 31<sup>st</sup> March, 2022, four meetings of the Committee were held on 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2022.

The composition of the Investors' Grievance & Stakeholder's Relationship Committee on 31<sup>st</sup> March, 2022 is as follows:

Name of Directors	Positions held	No. of Meetings attended
Mr. Pratim Priya Das Gupta	Chairman	4
Mr. Beda Nand Choudhary	Member	4
Mr. Jitendra Kumar Bhagat	Member	2

The Board at its meeting held on 12th August, 2021 has reconstituted the Investors' Grievance & Stakeholder's Relationship committee and thereby Mr. Nirmal ceased to be member and in place of him Mr. Jitendra Kumar Bhagat was inducted as a member of the Investors' Grievance & Stakeholder's Relationship Committee. Further Mr. Pratim Priya Das Gupta became the chairperson of the Committee with effect from 12th August, 2021.

No sitting fee has been paid to the Executive and Non-Executives Directors during the period under review for attending the meetings of the Board and its Committees.

#### **18. DECLARATION OF INDEPENDENT DIRECTORS**

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **19. PERFORMANCE EVALUATION OF THE BOARD/COMMITTEES AND INDEPENDENT DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and Independent Directors pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The aspects covered in the evaluation included the contribution made by the Directors to the corporate governance practices, long term strategic planning, fulfillment of Director's obligations and fiduciary responsibilities and active participation at the Board and Committee meetings. The effectiveness of Board / Committee processes were assessed based on the Directors' inputs received during the meetings of the Board of Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of Independent Directors, performance of non-independent directors, and performance of the board as a whole was evaluated, taking into account the views of all the directors.

## **20. VIGIL MECHANISM**

The Company has a vigil mechanism/whistle blower policy to deal with instances of fraud and mismanagement in terms of Section 177(9) of the Companies Act, 2013.

## **21. CORPORATE GOVERNANCE**

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2021-22 since the Net Worth is below ₹ 25.00 Crores and the Paid up equity share Capital of the Company is less than ₹ 10.00 Crores.

## **22. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:-

- (a) that in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and of the profit for the year ended as on that date;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2022 on a going concern basis;
- (e) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



## **23. AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditors**

Pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. Gupta & Manglik, (Firm Registration No. 311118E), Chartered Accountants, were appointed as statutory auditors of the Company at the 25<sup>th</sup> Annual General Meeting (AGM) of the Company to hold office from the conclusion of the 25<sup>th</sup> Annual General Meeting for a tenure of consecutive 5 years till the conclusion of the 30<sup>th</sup> Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report and are self explanatory. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Statutory Auditors have not reported any incident of fraud of the Company during the financial year 2021-22.

### **Secretarial Auditor Report:**

The Board has appointed Mr. Jagannath Kar (Membership No. 20600), Practicing Company Secretary, to carry out the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended March 31, 2022 is annexed herewith and marked as **Annexure I** to this report.

Secretarial Auditor's observations, if any, in his report, have been suitably explained by way of appropriate notes to accounts and/or in the Board's Report wherever it was considered necessary.

## **24. COST AUDITORS**

Pursuant to section 148 (3) of the Companies Act, 2013 and rule 6(2) of the Companies (Cost records and Audit Rules) 2014 is not applicable to the Company.

## **25. STATUTORY DISCLOSURES**

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors have made the necessary disclosures as required by the various provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **26. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at workplace your company has adopted a Policy for prevention of sexual harassment of women at workplace and no such complaints have been reported during the financial year under review.

## **27. CORPORATE SOCIAL RESPONSIBILITY**

Considering the turnover/ net worth/ net profit, the provision of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility is not applicable to the company.

## **28. RISK MANAGEMENT POLICY**

The Company is exposed to several risks. They can be categorized as operational risk and strategic risks. The Management has put in place adequate and effective system and man power for the purpose of Risk Management.

The company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate the risks. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non- business risks.

**29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

**30. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

**31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**32. LOANS, GUARANTEES AND INVESTMENTS**

As the Company is a Non-Banking Finance Company being engaged in the business of financing and investment activities, provisions of Section 186 of the Companies Act, 2013 is not applicable to the Company.

However, the particulars of loans and investments made under Section 186 of the Companies Act, 2013 during the financial year are provided in the Notes to the Financial Statements.

**33. LISTING**

The Equity Shares of the company are listed on BSE Limited (BSE). The Company is regularly paying listing fees to the BSE. Since last several years the Calcutta Stock Exchange Limited (CSE) is a non-operational Exchange and do not provide any trading platform to the investors of the Company. The Board of Directors at its meeting held on 13th August, 2018 has approved voluntary delisting of the shares from CSE which is a defunct stock exchange.

**34. GENERAL BODY MEETING:**

**Location & Time of Last 3 Annual General Meetings:**

AGM	Date	Venue	Time	No. of Special Resolutions
27 <sup>th</sup>	30 <sup>th</sup> September, 2021	Through Video Conferencing	12:30 P.M.	None
26 <sup>th</sup>	30 <sup>th</sup> September, 2020	Through Video Conferencing	11:30 A.M.	None
25 <sup>th</sup>	30 <sup>th</sup> September, 2019	432, Prince Anwar Shah Road, Kolkata - 700068	9.30 A.M.	One

At the above-mentioned meetings, all the Resolutions were passed with requisite majority. No Resolution was passed during the financial year ended 31<sup>st</sup> March, 2022 through Postal Ballot.

### 35. GENERAL SHAREHOLDER INFORMATION

#### (i) Ensuing Annual General Meeting Details:

<b>Day &amp; Date</b>	Tuesday, 13 <sup>th</sup> September, 2022
<b>Venue</b>	The Annual General Meeting shall be held through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility and the deemed venue for the 28 <sup>th</sup> AGM shall be the Registered Office of the Company
<b>Time</b>	12:30 p.m.
<b>Book Closure Date</b>	7 <sup>th</sup> September, 2022 to 13 <sup>th</sup> September, 2022 (both days inclusive)

#### (ii) The financial year of the Company covers 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

#### (iii) Listing of Shares on Stock Exchanges with Stock Code

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Telephone nos. : 022-2272 1233/34 Facsimile no. : 022-2272 1919 website : www.bseindia.com	511688

(a) ISIN No. for the Company's ordinary shares in demat form: INE963B01019

(b) Depository Connectivity: NSDL and CDSL.

#### (iv) DISTRIBUTION OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH 2022:

##### (a) ACCORDING TO CATEGORY OF HOLDING:

Category of Shareholders	No. of shares held	% of holding
<b>Promoters</b>	2080343	31.28
Bodies Corporate		
<b>Non - Promoters</b>	Nil	Nil
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies FIIs'	Nil	Nil
<b>Others</b>		
Private Corporate Bodies	2258545	33.96
Indian Public	2294726	34.51
NRIs/OCB	16386	0.25
<b>Total</b>	<b>6650000</b>	<b>100.00</b>

##### (b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:

Shareholding	Number of Share holders	% to total Shareholders	Number of shares	% to total Shares
1 - 500	2900	92.83	336816	5.06
501 - 1000	99	3.17	82199	1.24
1001 - 2000	43	1.38	68183	1.02
2001 - 3000	11	0.35	26007	0.39
3001 - 4000	7	0.23	24600	0.37

4001 - 5000	6	0.19	26610	0.40
5001 - 10000	16	0.51	134058	2.02
10001 - 50000	16	0.51	360149	5.42
50001 - 100000	12	0.38	938169	14.11
100001 and above	14	0.45	4653209	69.97
<b>Total</b>	<b>3124</b>	<b>100.00</b>	<b>6650000</b>	<b>100.00</b>

### 36. ACKNOWLEDGEMENT

Your Board wishes to place on record its sincere appreciation for the wholehearted support received from members, government authorities, bankers, employees, consultants and all other business associates. We look forward to continued support of all these partners in progress.

For & on behalf of the Board

Place: Kolkata  
Date: 13<sup>th</sup> August, 2022

**Beda Nand Choudhary**  
(DIN - 00080175)  
**Whole-time Director**

**Pritha Sinha Pandey**  
(DIN -07016238)  
**Director**

**Registered Office:**  
Raj Kamal Building, 1st Floor  
128, Rash Behari Avenue  
Kolkata - 700029

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Economic Outlook**

The financial year 2021-22 (FY22) started with the brutal 2<sup>nd</sup> Wave of the Covid-19 pandemic in the first quarter of the financial year. It closed with optimism of a post Covid-19 pandemic recovery but witnessed the invasion of Ukraine by Russia in February 2022. The conflict has triggered economic sanctions on Russia which has, in turn, escalated into a costly humanitarian crisis. At the same time, economic damage from the conflict has contributed to a significant slowdown in global growth in 2022 and added to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. The IMF states that beyond 2023, global growth is forecasted to decline to about 3.3 percent over the medium term. Volatility has risen sharply in both equity and debt markets following the Russian invasion of Ukraine, reflecting heightened uncertainty on the economic and policy outlook. On the interest rate front, market-implied volatility has remained elevated, reflecting uncertainties about the policy normalization process in advanced economies.

The outbreak of COVID-19 had a significant impact on the social and economic situation in India, putting its collective resilience to test. The Indian economy, which was recuperating well in early 2021 after the onset of COVID-19, was again impacted by the grueling second wave of the pandemic. To alleviate the impact of the second wave and revive businesses, the government had undertaken active measures and unveiled a range of macro-level reforms while developing a robust vaccination strategy. These initiatives played a pivotal role in the country's economic recovery. The measures combined with the pace of vaccinations enhanced the country's economic prospects considerably.

The GDP growth during financial year (FY) 2021-22 is estimated at 8.9% as against a contraction of 6.6% in FY 2020-21. For India, with a strong growth in agricultural output in FY 2021-22, going forward, adequate policy support for investment and consumer spending was expected to strengthen the growth momentum. The scenario, however, has been reshaped by the Russia-Ukraine war, the economic fallout of which has affected the overall global growth and price conditions sharply.

### **Industry Structure and Developments**

India has a diversified financial services sector undergoing rapid expansion. Expansion is in terms of strong growth of existing financial services firms and new entities entering the market.

In absence of any negative event, NBFCs would see normalization of business activities; it would begin the year with sufficient capital buffers, stable margins, and sizeable on-balance sheet provisioning. Also, the adequate system liquidity would aid funding. Nevertheless, an expected increase in systemic interest rates and asset quality issues in some segments due to the lagged impact of pandemic would be a drag on the operating performance.

After facing challenges in the past few years following the default by some NBFCs leading to liquidity challenges and then the COVID-19 pandemic, there was a visible growth in credit uptake in FY 2021-22, with agricultural and industrial sectors along with personal loans driving the uptick. Falling gross non-performing asset (GNPA) ratios in the industry sector contributed to a significant rise in lending to this sector. NBFCs have healthier balance sheets and provisions compared to the levels seen in 2018.

### **Opportunities and Threats**

Non-Banking Financial Companies ("NBFCs") remain one of the most important pillars for ushering financial inclusion in India, reaching out to a hitherto under/unserved populace and in the process leading to "formalization" of the credit demand. NBFCs cater to the needs of both the retail as well as commercial sectors and, at times, have been able to develop strong niches with their specialized credit delivery models that even larger players including banks, have found hard to match. This has further provided a fillip to employment generation and wealth creation and in the process, bringing in the benefits of economic progress to the weaker sections of the society.

Last two years were challenging on account of the pandemic during which both business and collections were severely impacted. However, from Q2 FY 2021-22, credit growth has picked up significantly due to receding impact of COVID shutdowns, the pent-up demand in the economy and an uptick in multiple economic indicators. This was evidenced as per RBI's 'Data on sectoral deployment of bank credit' wherein non-food bank credit registered a y-o-y growth of 9.7% in March 2022.

While the economy is on the path to recovery, there are certain headwinds that may impact the growth and credit off take. The NBFC sector may get impacted if elevated levels of retail inflation, crude oil prices and supply chain disruptions continue over a prolonged period. Borrowing rate is expected to rise in the wake of rate hikes announced by RBI in May 2022, which may lead to pressure on margins. Any loan re-pricing may lead to reduced demand as well as deterioration in credit quality for small borrowers.

However, there's room for optimism – receding pandemic impact along with large vaccinated population, rising private investments, higher consumption levels and thrust on capital expenditure in Union Budget 2022 shall in tandem lead to a higher growth trajectory for the economy. This shall also translate into a better performance vis-à-vis the year gone by for most of the leading financial services institutions including NBFCs.

With its strong parentage, brand recognition, liquidity and strong distribution network, TCFSL is poised to capitalize on this opportunity and foresee an increase in market share across all segments with the introducing new products and tapping deeper markets. Further, the Company's robust risk management framework with a deep understanding of underwriting and credit controls shall help to mitigate the risk of deterioration in asset quality.

### **Human Resources**

People remain the most valuable asset of your company. Your company continued to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain talent. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

### **Internal Control System**

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. 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.

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and reliability of the information used for carrying on business operations.

The Company's internal control system is commensurate with its size and the nature of its operations.

### **Risks and Concerns**

The Company aims to operate within an effective risk management framework to actively manage all the material risks faced by the organization and make it resilient to shocks in a rapidly changing environment. It aims to establish consistent approach in management of risks and strives to reach the efficient frontier of risk and return for the organization and its shareholders.

The very nature of the Company's business makes it subject to various kinds of risks. The Company encounters credit risk, market risks and operational risks in its daily business operations. Further the performance of the Company is dependent on the capital markets for its returns. Even though it is envisaged that Indian stock market will continue to do well, global concerns can result in sharp corrections.

**Cautionary Statement:**

Statement in the Management Discussion and Analysis and Directors Report describing the company's strengths, strategies, projections and estimates are forward-looking statements and progressive within the meaning of applicable laws and regulations. The actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

For & on behalf of the Board  
**Mathew Easow Research Securities Limited**

Place: Kolkata  
Date: 13<sup>th</sup> August, 2022

**Beda Nand Choudhary**  
(DIN - 00080175)  
**Whole-time Director**

**Pritha Sinha Pandey**  
(DIN -07016238)  
**Director**

**Registered Office:**  
Raj Kamal Building, 1st Floor  
128, Rash Behari Avenue  
Kolkata - 700029

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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,  
**Mathew Easow Research Securities Limited**  
**CIN: L74910WB1994PLC064483**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mathew Easow Research Securities Limited** (hereinafter called 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 generally 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 made available to me and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable to the Company during the Audit Period.**
- (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 to the Company during the Audit Period.**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit 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, 2021; **Not Applicable to the Company during the Audit period;**



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit period;**
- (vi) Other specific business/industry related laws that are applicable to the Company, viz. NBFC - The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications issued by the Reserve Bank of India.

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

- (i) Secretarial Standards of the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observation:

During the period under review, the office of Key Managerial Personnel i.e. Chief Financial Officer remained vacant.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. Adequate notice was given to all Directors in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

All decisions at the Board Meetings, Committee Meetings as recorded in the minutes books of the Company were carried out unanimously.

I further report that as represented by the Company and relied upon by me 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 etc.

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

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013:
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

I further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

*For* **JAGANNATH KAR**  
Company Secretaries

**JAGANNATH KAR**  
Proprietor  
C.P. No.: 7591  
UDIN: A020600D000792096

Place: Kolkata  
Date: 13-08-2022

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

**Annexure A'**

To,  
The Members,  
**Mathew Easow Research Securities Limited**  
**CIN: L74910WB1994PLC064483**

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 process and practices, I followed provide a reasonable basis for 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 happening 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 procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For* **JAGANNATH KAR**  
Company Secretaries

**JAGANNATH KAR**  
Proprietor  
C.P. No.: 7591  
UDIN: A020600D000792096

Place: Kolkata  
Date:13-08-2022

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of MATHEW EASOW RESEARCH SECURITIES LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the standalone financial statements of MATHEW EASOW RESEARCH SECURITIES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profits, changes in equity and its cash flows for the year ended on that date.

##### **Basis for opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone 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 Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of Matter**

We draw attention to Note 41 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion is not modified in respect of the matter.

##### **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 year. We did not come across any matter of such material significance to be reported in this section.

##### **Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report but does not include the standalone financial statements and our auditors' report thereon.

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

standalone 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.

### **Responsibilities of the Management and those charged with governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

### **Auditors' 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 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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; and
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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**

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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, 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 Other Comprehensive Income), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Indian 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) Regarding adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.
3. 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 and hence, there is no disclosure of the same in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any managerial remuneration and as such the provisions of section 197 of the Act are not applicable.

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
Partner  
ICAI Membership No.065761  
UDIN : 22065761AJUQUG1574  
Kolkata, 28/05/2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT:**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of Mathew Easow Research Securities Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any Intangible Assets.
  - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and physical inventories have been noticed. In our opinion, the frequency of verification is reasonable.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment during the year. No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) According to the information and explanations given to us, inventories in the form of shares and securities have been verified by the management at reasonable intervals to the extent possible and practical and no material discrepancies were noticed on physical verification.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3 (ii)(b) of the Order is not applicable.
- (iii)
  - (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.
  - (b) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 6 and 14 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations.
  - (d) According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.  
The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest

- by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the
- (e) Company in course of its periodic regulatory reporting. Refer notes 6 and 14 to the Standalone Financial Statements for summarised details of such loans/advances which
- (f) are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
- Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees, and security, the company was not required to comply with the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintain cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, subject to delays in deposit of TDS, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the
- (d) Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we
- & report that no funds raised on short-term basis have been used for long-term purposes by
- (f) the Company.
- The company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company does not have any subsidiaries or joint ventures.



- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.  
 (b) During the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
 (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT -4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
 (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xii) According to the explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.  
 (b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its Directors and hence provisions of Section 1920 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.  
 (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.  
 (c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC ') as defined under the Regulations by the Reserve Bank of India.  
 (d) As per information provided in course of our audit, the Company does not belong to any Group and accordingly clause 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our

examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- (xvi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
Partner  
ICAI Membership No.065761  
UDIN : 22065761AJUQUG1574  
Kolkata, 28/05/2022

## **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of MATHEW EASOW RESEARCH SECURITIES LIMITED ("the Company") as at March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1)

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

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
Partner  
ICAI Membership No.065761  
UDIN : 22065761AJUQUG1574  
Kolkata, 28/05/2022

**BALANCE SHEET AS AT MARCH 31, 2022**

(₹ In Lakhs)

	Particulars	Note No	As at March 31, 2022	As at March 31, 2021
	<b>ASSETS</b>			
(I)	<b>Financial Assets</b>			
(a)	Cash and Cash Equivalent	5	7.66	14.08
(b)	Loans	6	3,544.28	3,289.18
(d)	Other Financial assets	7	35.25	1.63
	<b>Total Financial Assets</b>		3,587.19	3,304.89
(II)	<b>Non Financial Assets</b>			
(a)	Inventories		1,202.99	1,202.99
(b)	Current Tax Assets (Net)	8	23.18	19.32
(c)	Deferred Tax Assets (Net)	9	9.78	8.36
(e)	Property, Plant and Equipment	10	13.40	25.52
(h)	Other Non Financial Assets	11	5.33	3.28
	<b>Total Non - Financial Assets</b>		1,254.68	1,259.47
	<b>Total Assets</b>		<b>4,841.87</b>	<b>4,564.36</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
(I)	<b>Financial Liabilities</b>			
(a)	Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Others		2.38	-
	(I) Other Payables			
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Others		0.32	35.11
(b)	Borrowings (Other than Debt Securities)	13	3,421.93	3,123.89
	<b>Total Financial Liabilities</b>		3,424.63	3,159.00
(II)	<b>Non Financial Liabilities</b>			
(a)	Provisions	14	-	8.10
(b)	Other Non Financial Liabilities	15	18.19	8.73
	<b>Total Non - Financial Liabilities</b>		18.19	16.83
(III)	<b>Equity</b>			
(a)	Equity Share Capital	16	665.00	665.00
(b)	Other Equity	17	734.05	723.53
	<b>Total Equity</b>		1,399.05	1,388.53
	<b>Total Liabilities and Equity</b>		<b>4,841.87</b>	<b>4,564.36</b>

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

As per our report of even date  
**For GUPTA & MANGLIK**  
**Chartered Accountants**  
**Firm Registration No. 311118E**

**For and on behalf of the Board of Directors**  
**Mathew Easow Research Securities Limited**

**Beda Nand Choudhary**  
**Director**  
**DIN-00080175**

**Pritha Sinha Pandey**  
**Director**  
**DIN-07016238**

**(Rahul Gupta)**  
**Partner**  
**Membership No. 065761**  
**Place : Kolkata**  
**Dated: May 28, 2022**

**Sarika Kedia**  
**Company Secretary**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

	Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Revenue from Operations</b>			
(i)	Interest Income	18	243.86	204.66
(ii)	Dividend Income	19	0.14	0.04
(iii)	Sale of Products	20	-	14.41
<b>(I)</b>	<b>Total Revenue from Operations</b>		<b>244.00</b>	<b>219.11</b>
(II)	Other Income	21	0.65	0.33
<b>(III)</b>	<b>Total Income (I + II)</b>		<b>244.64</b>	<b>219.44</b>
	<b>Expenses</b>			
(i)	Finance Costs	22	159.49	74.53
(ii)	Purchase of Stock-in-trade	23	-	966.88
(iii)	Changes in Inventories of Stock-in-trade	24	-	(952.82)
(iv)	Employee Benefits Expenses	25	13.15	11.01
(v)	Depreciation, amortization and impairment	26	5.37	10.11
(vi)	Other Expenses	27	151.71	100.48
<b>(IV)</b>	<b>Total Expenses</b>		<b>329.72</b>	<b>210.19</b>
<b>(V)</b>	<b>Profit / (Loss) before Exceptional Items and Tax (III - IV)</b>		<b>(85.07)</b>	<b>9.25</b>
(VI)	Exceptional Items	28	103.09	-
<b>(VII)</b>	<b>Profit / (Loss) before tax (V - VI)</b>		<b>18.02</b>	<b>9.25</b>
(VIII)	Tax Expenses	35		
	(i) Current Tax		5.77	1.40
	(ii) Income Tax for earlier years		3.15	-
	(iii) Deferred Tax		(1.42)	(3.16)
			<b>7.50</b>	<b>(1.76)</b>
<b>(IX)</b>	<b>Profit / (Loss) for the year (VII - VIII)</b>		<b>10.52</b>	<b>11.01</b>
(X)	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to above		-	-
	<b>Other Comprehensive Income (i - ii)</b>		<b>-</b>	<b>-</b>
<b>(XI)</b>	<b>Total Comprehensive Income for the year (IX + X)</b>		<b>10.52</b>	<b>11.01</b>
<b>(XII)</b>	Earnings per equity share			
	- Basic (₹)	33	0.16	0.17
	- Diluted (₹)		0.16	0.17

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

As per our report of even date

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No. 311118E

**For and on behalf of the Board of Directors**

**Beda Nand Choudhary**  
Director  
DIN-00080175

**Pritha Sinha Pandey**  
Director  
DIN-07016238

**(Rahul Gupta)**  
Partner  
Membership No. 065761

**Sarika Kedia**  
Company Secretary

Place : Kolkata  
Dated: May 28, 2022

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**(i) Equity Share Capital**

(₹ In Lakhs)

Particulars	Amount
Balance as at April 1, 2020	665.00
Changes during the year	-
Balance as at March 31, 2021	665.00
Changes during the year	-
Balance as at March 31, 2022	665.00

**(ii) Other Equity**

As at March 31, 2022

Particulars	Reserve and Surplus			Total
	Securities Premium Account	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earnings	
Balance as at March 31, 2021	365.00	105.47	253.06	723.53
Profit/(Loss) for the year	-	-	10.52	10.52
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	-	-	<b>10.52</b>	<b>10.52</b>
Others	-	-	-	-
Transferred from Retained earnings to Special Reserve	-	2.10	(2.10)	-
Balance as at March 31, 2022	365.00	107.57	261.48	734.05

As at March 31, 2021

Particulars	Reserve and Surplus			Total
	Securities Premium Account	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earning	
Balance as at March 31, 2020	365.00	103.26	244.24	712.50
Profit/(Loss) for the year	-	-	11.01	11.01
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	-	-	<b>11.01</b>	<b>11.01</b>
Transferred from Retained earnings to Special Reserve	-	2.21	(2.21)	-
Others	-	-	0.02	0.02
Balance as at March 31, 2021	365.00	105.47	253.06	723.53

Refer Note no. 17 for nature and purpose of reserves.

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

As per our report of even date

**For GUPTA & MANGLIK**

**Chartered Accountants**

**Firm Registration No. 311118E**

**For and on behalf of the Board of Directors**

**Beda Nand Choudhary**  
Director  
DIN-00080175

**Pritha Sinha Pandey**  
Director  
DIN-07016238

**(Rahul Gupta)**

**Partner**

**Membership No. 065761**

**Sarika Kedia**  
Company Secretary

**Place : Kolkata**

**Dated: May 28, 2022**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax</b>	<b>18.02</b>	<b>9.25</b>
Adjustment for non cash and other items:		
<b>Add :</b> Depreciation and amortisation expenses	5.37	10.11
Impairment allowances for doubtful loans	0.87	6.65
Loans and Advances written off	89.40	3.12
Finance Cost	159.49	74.53
Provision Standard Assets	0.87	1.63
	<b>274.02</b>	<b>105.29</b>
<b>Less:</b> Interest Income on Fixed Deposit	0.61	-
Dividend Income from Investments	0.14	0.04
Profit on Sale of Property, Plant and Equipment	103.09	-
	103.84	0.04
<b>Operating Profit before Working Capital changes</b>	<b>170.18</b>	
(Increase)/ Decrease in loans and advances and other assets	(381.93)	(660.21)
(Increase)/ Decrease in Inventories	-	(952.83)
Increase/ (Decrease) in Trade and Other Payables	(32.41)	27.00
Increase/ (Decrease) Liabilities/ Provisions	1.36	7.75
	(412.98)	
<b>Cash generated from Operations</b>	<b>(242.80)</b>	<b>-</b>
<b>Less:</b> Direct Taxes paid (Net)	9.64	9.79
<b>Net cash flow from Operating activities</b>	<b>(252.43)</b>	<b>(9.79)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase) of Property, Plant and Equipment	109.86	(0.54)
Interest received on Fixed Deposits	0.61	-
Dividend received	0.14	0.04
	110.61	(0.50)
<b>Net Cash flow from Investing activities</b>	<b>110.61</b>	<b>(0.50)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	298.04	1,535.17
Interest and other borrowing cost paid	(159.49)	138.55
	(74.53)	1,460.64
<b>Net cash flow from Financing activities</b>	<b>138.55</b>	<b>1,460.64</b>
<b>Cash and Cash equivalents (A+B+C)</b>	<b>(3.28)</b>	<b>1,450.35</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14.08</b>	<b>36.77</b>
<b>Cash and cash equivalents at the end of the year (Refer Note no. 5)</b>	<b>10.81</b>	<b>1,487.12</b>

Significant accounting policies and other accompanying notes (1 to 43) form an integral part of the financial statements

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.
- Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5.08	2.67
Balances with banks:		
In current accounts	2.57	11.41
	<b>7.66</b>	<b>14.08</b>

- Change in Company's liabilities arising from financing activities:

(₹ In Lakhs)

Particulars	As at March 31, 2021	Cash Flow	Non-Cash Flow	As at March 31, 2022
Borrowings (Other than Debt Securities)	3,123.89	298.04	-	3,421.93

As per our report of even date

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No. 311118E

For and on behalf of the Board of Directors

Beda Nand Choudhary  
Director  
DIN-00080175

Pritha Sinha Pandey  
Director  
DIN-07016238

(Rahul Gupta)  
Partner  
Membership No. 065761

Sarika Kedia  
Company Secretary

Place : Kolkata  
Dated: May 28, 2022



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****1. CORPORATE INFORMATION**

Mathew Easow Research Securities Limited ("the Company"), is a Public Limited company engaged in investment and finance activities and is registered as a Non-Banking Financial (Non-Deposit Accepting) Company with the Reserve Bank of India vide Registration no.: 05.002088 dated May 06, 1998 and its equity shares are currently quoted on the BSE Limited .

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS****2.1 Statement of Compliance**

The financial statement has been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"). The Company has complied with Ind AS issued, notified and made effective till the date of authorisation of the financial statements.

**Application of new and revised standards:**

Effective April 01, 2021, the company has adopted the amendment vide Companies (Indian Accounting Standards) Amendment Rules, 2021 notifying amendment to existing Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" related to practical expedient for modification of financial instruments due to Inter-Bank Offered Rate Reforms. Further, extension on practical expedient to rent concession was further continued under Ind AS 116 "Leases" and amendments were made consequent to issue of Conceptual Framework for financial reporting under Ind AS 102 "Share-based Payment", Ind AS 103 "Business Combinations", Ind AS 106 "Exploration for and Evaluation of Mineral Resources", Ind AS 114 "Regulatory Deferral Accounts", Ind AS 1 "Presentation of Financial Statements", Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", Ind AS 34 "Interim Financial Reporting", Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Ind AS 38 "Intangible Assets".

There were other minor/clarificatory updates under Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 104 "Insurance Contracts", Ind AS 105 "Non-current assets held for sale and discontinued operations", Ind AS 111 "Joint Arrangements", Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes", Ind AS 16 "Property, Plant and Equipment", Ind AS 27 "Separate Financial Statements", Ind AS 28 "Investments in Associates and Joint Ventures" and Ind AS 40 "Investment Property".

Revision in these standards did not have any material impact on the profit/loss and earning per share for the year.

**2.2 Recent accounting pronouncements**

On April 04, 2022, Ministry of Corporate Affairs (MCA) has made certain amendments to existing Ind AS vide Companies (Indian Accounting Standard) Amendment Rules, 2022. These amendments to the extent relevant to the company's operation include amendment to Ind AS 16 "Property, Plant and Equipment" which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" which specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

There are other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture" which have not been listed herein above since these are not relevant to the company.

Even though the company will evaluate the impact of above, none of these amendments as such are vital in nature and are not likely to have material impact on the financial statements of the company.

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

#### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

#### B. PROPERTY PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

## Depreciation and Amortization

Depreciation on PPE except as stated below, is provided as per Schedule II of the Companies Act, 2013 on written down value method in respect of Plant and Equipments and Office Equipments at all location of the Company.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the useful lives as estimated for other assets considered for depreciation are as follows:

Category	Useful life
<b>Buildings</b>	
Non-Factory Building	30 Years
<b>Computer equipment</b>	
Data Processing Equipment	3 Years
Furniture and fixtures, Electrical Machinery	10 Years
Office equipment	5 Years
<b>Vehicles</b>	
Motor Car	8 Years

Right-of-use assets, if any are intended to be depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Depreciation methods, useful lives, residual values are reviewed and adjusted as appropriate, at each reporting date.

## C. INTANGIBLE ASSETS

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Amortisation methods and useful lives are reviewed, and adjusted as appropriate, at each reporting date.

## D. DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

## E. LEASES

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii)the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases)and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liability when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations is presented separately under the head "Financial Liabilities".

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

#### **F. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS**

Tangible, Intangible and ROU assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

#### **G. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

##### **(i) Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

##### **(ii) Financial Assets and Financial Liabilities measured at amortised cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

**(iv)** For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**(v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**(vi) Impairment of financial assets**

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for loans and advances or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

**(vii) Derecognition of financial instruments**

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**H. EQUITY SHARE CAPITAL**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**I. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

**J. EMPLOYEE BENEFITS**

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered. Contribution to defined contribution plans such as Provident Fund etc, are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income ("OCI") in the period in which they occur.

Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

**K. REVENUE****Interest and Dividend**

The Company follows the accrual method of accounting for recognition of Income excepting in cases of uncertainties of collections, which are recognized on receipt basis.

- Interest Income from financing by way of loan is recognised in terms of the respective agreements with the borrowers using effective interest rate method.
- Dividend from Investments is accounted for when right to receive the same is established.

In accordance with the guidelines issued by the Reserve Bank of India (RBI), incomes against non-performing assets are recognised on receipt basis.

**L. BORROWING COSTS**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

**M. TAXES ON INCOME**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

**N. EARNINGS PER SHARE**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares

**O. SEGMENT REPORTING**

Operating segments are identified and reported taking into account the different risk and return, organisation structure and the internal reporting provided to the chief-operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Segment manager who allocates resources and assess the operating activities, financial results, forecasts, or plans for the segment.

**4 CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY**

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

**a) Depreciation / amortization and impairment on property, plant and equipment / intangible assets.**

Property, plant and equipment and intangible assets are depreciated/ amortized on written down value based on the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation, Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

**b) Impairment loss allowances of loans and advances**

Classification of loans and advances are made as per the guidelines prescribed by RBI. Provision against performing (standard) and non-performing assets are made as required in terms of prudential norms prescribed by RBI. Further, assets which are considered non recoverable are fully provided for / written off.

**c) Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

**d) Provisions and Contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

**( ₹ In Lakhs )**

**5 CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5.08	2.67
Balances with banks:		
In current accounts	2.57	11.41
<b>TOTAL</b>	<b>7.66</b>	<b>14.08</b>

**6 LOANS**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Loans repayable on demand</b> (Unsecured and Considered good unless otherwise stated) Measured at amortised cost:			
<b>Loans and Advances in India</b>			
Unsecured Business Loan		3,573.73	3,309.65
Secured Loan against Mortgage of properties		-	-
		<u>3,573.73</u>	<u>3,309.65</u>
Less: Impairment allowances for doubtful loans and advances (Includes Contingent Provision on Standard Assets only in respect of the current year)	6.1	29.44	20.47
<b>TOTAL</b>		<b>3,544.28</b>	<b>3,289.18</b>

6.1 Movement of impairment allowances for doubtful loans and advances:

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Balance as at the beginning of the year</b>		20.47	13.82
Recognised during the year	6.2	8.97	6.65
Reversal during the year		-	-
<b>Balance at the end of the year</b>		<b>29.44</b>	<b>20.47</b>

6.2 The amount recognised as provision includes Provision against Standard assets of ₹ 0.87 Lakhs measured at 0.25 percent of the outstanding amount of the standard assets during the year in terms of Para 10 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. (Previous Year: ₹ 1.63 Lakhs included in Note No.14.1)



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**7 OTHER FINANCIAL ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	0.41	0.46
Other Advances	34.84	1.17
<b>TOTAL</b>	<b>35.25</b>	<b>1.63</b>

**8 CURRENT TAX ASSETS (NET)**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax including Tax deducted at Source (Net of Provisions)	23.18	19.32
<b>TOTAL</b>	<b>23.18</b>	<b>19.32</b>

**9 DEFERRED TAX ASSETS (NET)**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets	9.1	9.78	8.36
Deferred Tax Liabilities	9.1	-	-
<b>TOTAL</b>		<b>9.78</b>	<b>8.36</b>

9.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet

Particulars	Opening Balance April 1, 2021	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	Closing Balance March 31, 2022
<b>Deferred Tax Liabilities</b>				
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	-	-	-	-
<b>Total Deferred Tax Liabilities</b>	-	-	-	-
<b>Deferred Tax Assets</b>				
Allowance for Doubtful Debts	7.43	0.23		7.66
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	0.93	1.20		2.12
<b>Total Deferred Tax Assets</b>	<b>8.36</b>	<b>1.42</b>	-	<b>9.78</b>
<b>Deferred Tax Asset (Net)</b>	<b>8.36</b>	<b>1.42</b>	-	<b>9.78</b>

Particulars	Opening Balance April 1, 2020	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	Closing Balance March 31, 2021
<b>Deferred Tax Liabilities</b>				
Timing Differences between Written Down Value of Fixed Assets as per books of Accounts and Income Tax Act, 1961	0.08	0.08	-	-
<b>Total Deferred Tax Liabilities</b>	<b>0.08</b>	<b>0.08</b>	-	-
<b>Deferred Tax Assets</b>				
Allowance for Doubtful Debts	5.28	2.15	-	7.43
Timing Differences between Written Down Value of Fixed Assets as per books of Accounts and Income Tax Act, 1961	-	0.93		0.93
<b>Total Deferred Tax Assets</b>	<b>5.28</b>	<b>3.08</b>	-	<b>8.36</b>
<b>Deferred Tax Assets (Net)</b>	<b>5.20</b>	<b>3.16</b>	-	<b>8.36</b>

**11 OTHER NON FINANCIAL ASSETS**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
Input Tax Credit Receivable		5.33	3.28
<b>TOTAL</b>		<b>5.33</b>	<b>3.28</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

**10. PROPERTY, PLANT AND EQUIPMENT**

As at March 31, 2022

(₹ In Lakhs)

Particulars	Office Premises	Motor Car	Computer	Furniture and Fixtures	Office Equipment	Total
<b>GROSS BLOCK</b>						
<b>As at March 31, 2021</b>	20.51	29.91	26.45	23.25	6.58	<b>106.70</b>
Addition	-	-	-	-	0.27	0.27
Disposal/Adjustments	20.51	6.91	-	-	-	27.42
<b>As at March 31, 2022</b>	-	<b>23.01</b>	<b>26.45</b>	<b>23.25</b>	<b>6.85</b>	<b>79.55</b>
<b>ACCUMULATED DEPRECIATION</b>						
<b>As at March 31, 2021</b>	13.25	26.07	24.41	11.65	5.79	81.17
Depreciation for the year	0.57	1.80	1.62	1.24	0.15	5.37
Disposal	13.83	6.56	-	-	-	20.39
<b>As at March 31, 2022</b>	-	<b>21.30</b>	<b>26.03</b>	<b>12.89</b>	<b>5.93</b>	<b>66.16</b>
<b>Net Block as at March 31, 2022</b>	-	<b>1.70</b>	<b>0.41</b>	<b>10.36</b>	<b>0.92</b>	<b>13.40</b>

As at March 31, 2021

(₹ In Lakhs)

Particulars	Office Premises	Motor Car	Computer	Furniture and Fixtures	Office Equipment	Total
<b>GROSS BLOCK</b>						
<b>As at April 01, 2020</b>	20.51	29.91	25.90	23.25	6.58	<b>106.15</b>
Addition	-	-	0.55	-	-	0.55
Disposal/Adjustments	-	-	-	-	-	-
<b>As at March 31, 2021</b>	20.51	29.91	26.45	23.25	6.58	<b>106.70</b>
<b>ACCUMULATED DEPRECIATION</b>						
<b>As at April 01, 2020</b>	12.26	23.70	19.08	10.42	5.61	<b>71.07</b>
Addition	1.00	2.37	5.33	1.24	0.17	10.11
Disposal	-	-	-	-	-	-
<b>As at March 31, 2021</b>	13.25	26.07	24.41	11.65	5.79	<b>81.17</b>
<b>Net Block as at March 31, 2021</b>	7.26	3.85	2.03	11.60	0.79	<b>25.53</b>

10.1 The Company has elected to continue with the carrying value of its Property, Plant & Equipment (PPE) recognised as of April 1, 2018 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**12 PAYABLES**

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
<b>Trade Payables</b>			
- Dues of Micro and Small Enterprises	12.1	-	-
- Others		2.38	-
<b>Other Payables</b>			
- Dues of Micro and Small Enterprises		-	-
- Others		0.32	35.11
<b>TOTAL</b>		<b>2.70</b>	<b>35.11</b>

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

12.2 Trade Payable ageing schedule based on the outstanding based on the period from date of transaction are as follows:

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
<b>Undisputed - Non MSME</b>			
Less than 1 year		2.54	35.11
1-2 years		0.16	-
2-3 years		-	-
More than 3 years		-	-
		<b>2.70</b>	<b>35.11</b>

**13 BORROWINGS (OTHER THAN DEBT SECURITIES)**

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
<b>In India</b>			
<b>Measured at Amortised Cost</b>			
<b>Unsecured</b>			
<b>Loan Repayable on demand</b>			
-From Related Parties		1,951.44	1,923.17
-From Other Parties		1,470.50	1,200.72
<b>TOTAL</b>		<b>3,421.93</b>	<b>3,123.89</b>

**14 PROVISIONS**

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
Contingent Provision against Standard Assets	14.1 & 6.2	-	8.10
<b>TOTAL</b>		<b>-</b>	<b>8.10</b>

14.1 **Movement of Contingent Provision against Standard Assets:**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
<b>Balance as at the beginning of the year</b>	8.10	6.48
Recognised during the year*	0.87	1.63
Reversal during the year	-	-
Regrouped during the year	(8.97)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>8.10</b>

\* (The entire amount of Contingent Provision against Standard Assets (including current year provision) totalling to 8.97 Lakhs has been regrouped under Impairment Allowances for Doubtful Loans & Advances as referred to in Note No. 6.2)

**15 OTHER NON FINANCIAL LIABILITIES**

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
Statutory Payables		18.19	8.73
<b>TOTAL</b>		<b>18.19</b>	<b>8.73</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

16 EQUITY SHARE CAPITAL

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
<b>Authorised Shares</b>			
Equity Shares of ₹ 10/- each		1,700.00	1,700.00
1,70,00,000 (March 31, 2021: 1,70,00,000) equity shares			
10% Redeemable Preference Shares of ₹ 100/- each		100.00	100.00
1,00,000 (March 31, 2021: 1,00,000) preference shares			
		<b>1,800.00</b>	<b>1,800.00</b>
<b>Issued, Subscribed &amp; Fully Paid Up Shares</b>			
Equity Shares of ₹ 10/- each		665.00	665.00
66,50,000 (March 31, 2021: 66,50,000) equity shares			
		<b>665.00</b>	<b>665.00</b>

16.1 The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

16.2 Reconciliation of the number of equity shares outstanding:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Number of shares at the beginning	66,50,000	66,50,000
Add: Additions during the year	-	-
Number of shares at the end	66,50,000	66,50,000

16.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:

Name of the Shareholders	Number of Shares	Number of Shares
	Held	Held
<b>Mathew Easow Fiscal Services Limited</b>		
- No of shares held:	14,95,946	14,95,946
- Percentage of shares held:	22.50%	#DIV/0!
<b>Vista Vyapaar Private Limited</b>		
- No of shares held:	5,84,397	5,84,397
- Percentage of shares held:	8.79%	#DIV/0!
<b>Sunil Ghorawat</b>		
- No of shares held:	4,25,175	4,25,175
- Percentage of shares held:	6.39%	#DIV/0!

16.4 Shareholding pattern of promoters:

Name of the Promoters	As at 31st March, 2022		As at 31st March, 2021		% changes during the year	% changes during the previous year
	Nos	Holding	Nos	Holding		
Mathew Easow Fiscal Services Limited	14,95,946	22.50%	14,95,946	#DIV/0!	-	-
Vista Vyapaar Private Limited	5,84,397	8.79%	14,95,946	#DIV/0!	-	-

17 OTHER EQUITY

Particulars	Note No	As at	As at
		March 31, 2022	March 31, 2021
<b>Securities Premium Account</b>			
As per last Balance Sheet	17.1	365.00	365.00
<b>Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)</b>			
As per last Balance Sheet	17.2	105.47	103.26
Transferred from Retained earnings to Special Reserve		2.10	2.21
		<b>107.57</b>	<b>105.47</b>
<b>Retained Earning</b>			
As per last Balance Sheet	17.3	253.06	244.24
Profit for the year		10.52	11.01
Other Comprehensive Income		-	-
Others		-	0.02
Transferred from Retained earnings to Special Reserve		(2.10)	(2.21)
		<b>261.48</b>	<b>253.06</b>
<b>TOTAL</b>		<b>734.05</b>	<b>723.53</b>

17.1 Securities Premium Account

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

17.2 Special Reserve

Special Reserve is created in terms of section 45IC of Reserve Bank of India Act, 1934, which is 20% of profit of the year.

17.3 Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**18 INTEREST INCOME**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on:			
Loans		243.86	204.66
<b>TOTAL</b>		<b>243.86</b>	<b>204.66</b>

**19 DIVIDEND INCOME**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
On Stock-in-trade		0.14	0.04
<b>TOTAL</b>		<b>0.14</b>	<b>0.04</b>

**20 SALE OF PRODUCTS**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Shares and Securities		-	14.41
<b>TOTAL</b>		<b>-</b>	<b>14.41</b>

**21 OTHER INCOME**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on IT Refund		0.61	-
Interest on Deposits with CESC		0.00*	-
Liability written back		0.01	-
Miscellaneous Income		0.03	0.33
<b>TOTAL</b>		<b>0.65</b>	<b>0.33</b>

*\*(Interest on Deposits with CESC amounts to ₹ 259.25)*

**22 FINANCE COSTS**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Short-term borrowing		159.49	74.53
<b>TOTAL</b>		<b>159.49</b>	<b>74.53</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**23 PURCHASE OF STOCK-IN-TRADE**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Shares and Securities		-	966.88
<b>TOTAL</b>		<b>-</b>	<b>966.88</b>

**24 CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock of Shares and Securities		1,202.99	250.16
Closing Stock of Shares and Securities		1,202.99	1,202.99
<b>TOTAL</b>		<b>-</b>	<b>(952.83)</b>

**25 EMPLOYEE BENEFITS EXPENSES**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus, etc.	25.1	11.49	11.01
Staff Welfare Expenses		1.66	-
<b>TOTAL</b>		<b>13.15</b>	<b>11.01</b>

25.1 There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Indian Accounting Standard-19 is not applicable to the Company.

**26 DEPRECIATION, AMORTIZATION AND IMPAIRMENT**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of Property, Plant and Equipment	10	5.37	10.11
<b>TOTAL</b>		<b>5.37</b>	<b>10.11</b>

**27 OTHER EXPENSES**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance- Others		0.45	0.90
Rates and Taxes		3.32	0.72
<b>Auditors' Remuneration</b>			
Audit Fees		0.60	0.65
Legal and Professional Fees		23.68	43.65
Filing Fees		0.05	3.31
Guest House Expenses		21.00	35.00
Motor Car Running & Maintenance		4.07	1.63
Travelling Expenses		3.99	0.25
Advertisement		0.30	0.30
Loans and Advances written off		89.40	3.12
Impairment allowances for doubtful loans		-	6.65
Provision Standard Assets		0.87	1.63
Miscellaneous Expenditure		3.97	2.67
<b>TOTAL</b>		<b>151.71</b>	<b>100.48</b>

**28 EXCEPTIONAL ITEMS**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit on Sale of Property, Plant and Equipments	28.1	103.09	-
<b>TOTAL</b>		<b>103.09</b>	<b>-</b>

28.1 During the year, the company has disposed its office premises and other assets of WDV of ₹ 7,03,316.46 at total sale consideration of ₹ 1,10,12,500 and profit therefrom amounting to ₹ 1,03,09,183.54 have been shown as exceptional items in the Statement of Profit and Loss.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**29 Contingent Liabilities and Commitments:**

(to the extent not provided for)

The Company's pending litigations comprised of claims against the company and proceedings pending with Statutory/ Government Authorities. There are no pending litigations and/or proceedings against the company.

**30** In view of the above, the Company operates in a single primary business and secondary geographical segment and hence, disclosure requirements of IND AS 108 on Operating Segments are not applicable to it.

**31** In terms of Para 10 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, a provision of 0.25 percent of the outstanding amount of the standard assets during the year is required to be made. Accordingly, the closing balance thereof is shown as "Provision for Standard Assets" in these accounts covered in Note 14.1 and Note No 6.2 respectively.

**32** The Company as per the professional advice received on application of RBI Circular No. DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014 (the Circular) and notifications issued by RBI on March 27, 2015 and April 10, 2015 for implementation thereof, has been classified as Non-Systemically Important Company. Various provisions and directions have accordingly been complied with and reported upon from time to time. In terms of the said advice, the Circular read with notifications as above dealing with aggregation of the assets of all the NBFC of the Group for the purpose of classification has not yet been made effective and as such is not applicable to the Company.

**33** Calculation of Earning Per Share is as follows:

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss		10.52	11.01
<b>Net profit for basic and diluted earnings per share</b>		<b>10.52</b>	<b>11.01</b>
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value ₹ 10/- per share)			
Number of equity shares outstanding as on 31st March		66.50	-
<b>Number of equity shares considered in calculating basic and diluted EPS</b>		<b>66.50</b>	<b>-</b>
c) Earnings per share (EPS) of Equity Share of ₹ 10 each:			
i) Basic (₹)		0.16	#DIV/0!
ii) Diluted (₹)		0.16	#DIV/0!

**34 RELATED PARTY TRANSACTIONS**

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures are as follows:

**A) Names of related parties and description of relationship**

**(i) Group Enterprises and Companies under common control**

Vista Vyapaar Private Limited  
Rusoday Securities Limited  
Mathew Easow Fiscal Services Limited  
Galaxy Stocks & Securities Limited  
Araj Associates LLP ( formerly Wilzoom Relacon LLP)

**(ii) Key Management Personnel (KMP) and their close member**

Mr. Beda Nand Choudhary – Whole Time Director  
Mrs. Sarika Kedia — Company Secretary & Compliance Officer

**(iii) Directors**

Mr. Nirmal — Independent Director  
Mrs. Pritha Sinha Pandey – Director  
Mr. Jitendra Kumar Bhagat – Independent Director w.e.f August 12, 2021  
Mr. Pratim Priya Das Gupta – Independent Director

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**B) Related Party Transactions**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I. TRANSACTIONS DURING THE YEAR:</b>		
<b>Intercorporate Borrowing Taken (Net)</b>		
Galaxy Stocks & Securities Limited	1,066.57	1,336.52
Rusoday Securities Limited	748.33	-
Mathew Easow Fiscal Services Limited	4.97	-
<b>Total</b>	<b>1,819.86</b>	<b>1,336.52</b>
<b>Interest expense on Intercorporate Borrowing Taken</b>		
Galaxy Stocks & Securities Limited	115.58	45.12
Rusoday Securities Limited	6.70	-
Mathew Easow Fiscal Services Limited	0.34	-
<b>Total</b>	<b>122.62</b>	<b>45.12</b>
<b>Advances</b>		
Vista Vyapaar Private Limited	7.00	-
<b>Total</b>	<b>7.00</b>	<b>-</b>
<b>Other Transactions</b>		
Vista Vyapaar Private Limited (Guest House Expenses)	18.90	35.00
Galaxy Stocks & Securities Limited (Reimbursable Expenses)	8.95	3.13
Mr. Beda Nand Choudhary - Whole Time Director (Reimbursable Expenses)	0.02	-
Araj Associates LLP (Sale of Office Premises)	109.75	-
<b>Total</b>	<b>137.62</b>	<b>38.13</b>
<b>Remuneration</b>		
Mr. Beda Nand Choudhary - Whole Time Director	6.05	6.00
Mrs. Sarika Kedia — Company Secretary & Compliance Officer	1.80	2.34
<b>Total</b>	<b>7.85</b>	<b>8.34</b>
<b>II. OUTSTANDING BALANCES:</b>		
<b>Intercorporate Borrowing Taken (Including Interest)</b>		
Galaxy Stocks & Securities Limited	1,191.10	1,384.78
Rusoday Securities Limited	755.03	-
Mathew Easow Fiscal Services Limited	5.31	-
<b>Total</b>	<b>1,951.44</b>	<b>1,384.78</b>
<b>Advances</b>		
Vista Vyapaar Private Limited	7.00	-
<b>Total</b>	<b>7.00</b>	<b>-</b>
<b>Other Transactions (Expenses)</b>		
Vista Vyapaar Private Limited	-	32.38
<b>Total</b>	<b>-</b>	<b>32.38</b>
<b>Remuneration</b>		
Mr. Beda Nand Choudhary - Whole Time Director	-	0.50
Mrs. Sarika Kedia — Company Secretary & Compliance Officer	-	0.15
<b>Total</b>	<b>-</b>	<b>0.65</b>

**Note:**

- a. Remuneration to the Key Management Personnel does not include the provisions made for Gratuity Benefits, as they are not applicable to the Company as a whole.
- b. The above related party information is as identified by the management and relied upon by the auditor.
- c. All transactions with related parties are made in ordinary course of business. For the year ended March 31 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**35 Tax Expenses- Current Tax**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Provision for Current Tax	35.1	8.92	1.40
		<b>8.92</b>	<b>1.40</b>

**35.1 Components of Tax Expense:**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
<b><u>Current tax</u></b>			
In respect of the current year		5.77	1.40
In respect of earlier year		3.15	-
<b>Total Current tax expense recognised in the current year</b>		<b>8.92</b>	<b>1.40</b>
<b><u>Deferred tax</u></b>			
In respect of the current year		(1.42)	(3.16)
<b>Total Deferred tax expense recognised in the current year</b>		<b>(1.42)</b>	<b>(3.16)</b>
<b>Total Tax expense recognised in the current year</b>		<b>7.49</b>	<b>(1.76)</b>

**35.2 Reconciliation of Tax expense and the accounting profit multiplied by domestic tax rate for March 31, 2022**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (Loss) before tax		18.01	9.25
<b>Income Tax Charge/(Credit) thereon based on tax rate @ 26.00%</b>		<b>4.68</b>	<b>2.89</b>
Others		(0.33)	(4.64)
		<b>4.35</b>	<b>(1.76)</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**36. FINANCIAL INSTRUMENTS**

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Cash and cash equivalents	7.66	7.66	14.08	14.08
Loans	3,544.28	3,544.28	3,289.18	3,289.18
Other Financial Assets	35.25	35.25	1.63	1.63
<b>Financial Liabilities</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Trade Payables	2.38	2.38	-	-
Other Payables	0.32	0.32	35.11	35.11
Borrowings (Other than Debt Securities)	3,421.93	3,421.93	3,123.89	3,123.89

**Fair Valuation Techniques**

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

The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, loans, current trade payables, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

- The Company's long-term debt has been contracted at floating rates of interest. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

**Fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

**i) Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

**ii) Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

**iii) Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

Particulars	As at March 31	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Security Deposits	0.41	-	0.41	-
	(0.46)	-	(0.46)	-

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2021

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1, Level 2 and Level 3.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the Effective Interest Rate.

**FINANCIAL RISK FACTORS**

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**MARKET RISK**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**Interest rate risk**

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Company's lending and funding activities give rise to interest rate risk.

The immediate impact of variation in interest rate is on the Company's net interest income, while a long term impact is on the Company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Interest Rate Risk arises due to:

- i) Changes in Regulatory or Market Conditions affecting the interest rates
- ii) Short term volatility
- iii) Prepayment risk translating into a reinvestment risk
- iv) Real interest rate risk.

In short run, change in interest rate affects Company's earnings and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

With all other variables held constant, the following table demonstrates the impact of the Interest Rate on floating rate portion of loans and borrowings and Advances are given as under:

Particulars	Effect on Profit before tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Increase in 50 basis points</b>		
Borrowings- Floating Rate	17.11	15.62
<b>Increase in 50 basis points</b>		
Loans and Advances- Floating Rate	17.72	16.45

**Other price risk**

Other price risk of the financial instrument to which the company is exposed is not expected to be material.

**CREDIT RISK**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily loans or interest accrued balances). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of its borrowers, taking into account the financial condition and current economic trends.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of doubtful loans and advances. Receivables from its borrowers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**LIQUIDITY RISK**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**Maturity Analysis of Financial Liabilities**

**As at March 31, 2022**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	3,421.93	3,421.93	-	-	-	3,421.93
Trade and other payables	2.70	2.70	-	-	-	2.70

**As at March 31, 2021**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	3,123.89	3,123.89	-	-	-	3,123.89
Trade and other payables	35.11	35.11	-	-	-	35.11

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on operating cash flows to meet its need for funds.

**CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company. The Company monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines.

**37. RATIOS**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at / For the year ended March 31, 2022	As at / For the year ended March 31, 2021	Reason for Variance more than 25%	Remarks
Capital to risk-weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted Assets	28.93%	30.49%	-	
Tier I Capital	Tier I Capital	Risk Weighted Assets	28.93%	30.49%	-	
Tier II Capital	Tier II Capital	Risk Weighted Assets	-	-	-	
Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets	Total Net cash outflows over the next 30 calender days	283.49	514.15	44.86%	Decrease in Cash and Cash Equivalents

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

**(₹ In Lakhs)**

**38. Additional regulatory information required by Schedule III of Companies Act, 2013**

(i) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the made thereunder.

(ii) Utilisation of borrowed funds and share premium: The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(iii) Compliance with number of layers of companies: The Company has not invested in any company, and therefore is not required to comply with the number of layers prescribed under the Companies Act, 2013.

(iv) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has any accounting impact on current or previous financial year.

(v) Undisclosed Income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vi) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of PP&E, intangible asset and investment property: - The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**39.** There are no immovable properties that are held by company whose title deeds are not held in the name of the company

**40. Relationship with Struck-off Companies:** Based on information available with the company from the website of Ministry of Corporate Affairs. Based on such information there were no transaction during the

**41.** The COVID -19 pandemic and the long drawn lockdown has resulted in significant decrease in economic activities globally as well as across our country. The extent of impact of COVID - 19 on our country is difficult to predict and will mainly depend on the future developments in containment of COVID - 19 and the actions taken for resumption of operations, which is highly uncertain. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

**42.** Schedule III to the Companies Act, 2013 vide notification dated March 24,2021 issued by Ministry of Corporate Affairs has been amended with effect from April 01, 2021 and these financial statement have been prepared giving effect to the said amendments. Accordingly, comparative figures for the previous year have been regrouped wherever applicable to make them comparable with those of the current year's figure.

**43.** These financial statements have been approved by the Board of Directors of the Company on May 28, 2022 for issue to the shareholders for their adoption.

As per our report of even date

For and on behalf of the Board of Directors

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No. 311118E

**Beda Nand Choudhary**  
Director  
DIN-00080175

**Pritha Sinha Pandey**  
Director  
DIN-07016238

**(Rahul Gupta)**  
Partner  
Membership No. 065761

**Sarika Kedla**  
Company Secretary

Place : Kolkata  
Dated: May 28, 2022